FBIS DAILY REPORT CONTENTS

*Latin America*

Vol VI No 100 23 May 1986

INTER-AMERICAN AFFAIRS

Panamanian Says Guatemala Lays Contadora 'Trap' A 1
[ACAN]
Andean Pact Countries Reach Agreements A 2
[EL TIEMPO 17 May]

ARGENTINA

Government Breaks Relations With South Africa B 1
Alfonsin Appoints New Ambassador to Libya B 1
[BUENOS AIRES HERALD 22 May]
Conflicting Reports Continue in Bomb Case B 1
[BUENOS AIRES HERALD 22 May]
PJ Bloc Walks out of Chamber of Deputies B 2
CGT Approves 13 June for Next Stoppage B 3
[BUENOS AIRES HERALD 21 May]

BRAZIL

Salvadoran President Attends Congress Session D 1
Military Sales Contract With Turkey Set for Sep D 1
[FOLHA DE SAO PAULO 20 May]
Group of 77 Disagrees Over Trade Preferences D 2
Foreign Minister Comments D 3

CHILE

Parliamentary Assembly Condemns Pinochet Regime E 1
Meeting Ends E 1
Pinochet: Organizers 'Traitors' E 2
Argentine Lawmakers Reveal Incident With Military E 2
Occupants of Indian Embassy Leave Peacefully E 3
Group Attacks Former Security Chief's House E 3

COLOMBIA

Rebels Occupy CARACOL Transmitter, Air Message F 1
Clandestine Station Begins Broadcasting F 1
[EL TIEMPO 19 May]

PARAGUAY

Broadcasts Interrupt Radio Nanduti's Programs H 1
Mopoco Leaders Meet With Church, Explain Policy H 1
[ULTIMA HORA 21 May]

PERU

Garcia on Socialism, Communism, Imperialism J 1
Authorities on Plot Against Democracy in Cuzco J 2
Labor Situation Near Normal J 2

MEXICO

Contadora Document, Nicaraguan Proposal Viewed M 1
[UNOMASUNO 19 May]
Editorial on Possibility of Signing Peace Act M 2
[EXCELSIOR 19 May]
200,000 March Against U.S. 'Interventionism' M 3
Greek Prime Minister Papandreou To Visit M 3

PANAMA

Peruvian President Garcia Postpones Visit N 1
Briefs: New Envoy From Mexico N 1

CENTRAL AMERICA

COSTA RICA

Madrigal on Proposed Contadora Amendments P 1
Arias Confers With Panama's Gen Noriega P 2
Pastora Formally Requests Asylum P 2
C.A. Neighbors Request Debt Renegotiations P 3
Briefs: New Attorney General Appointed P 3

GUATEMALA

Part 1 of Cerezo Interview With EXCELSIOR [16 May] P 4
Cerezo on Border Skirmish, Panama's Summit Role P 11
[EL GRAFICO 22 May]
Army Guarantees Oil Projects in El Peten P 12
[PRENSA LIBRE 21 May]

HONDURAS

Officer on Revision of Aid Treaty With U.S. P 12

NICARAGUA

Government Protests Expulsion of Officials P 14
Ortega on U.S. Maneuvers, Expulsion of Officials P 15
Communique Issued on Pentagon Document P 16
[BARRICADA 22 May]
FDN: Germans To Be Released 'in Next Few Days' P 18
Germans Protest at U.S. Embassy P 18
Government Protests South African Attacks P 19
ARDE, UNO, FARN Create Southern Front P 19
[LA PRENSA LIBRE 13 May]
Recent Contadora Meeting, Proposals Viewed P 20
[BARRICADA 21 May]
FSLN Claims Official Kidnapped in Mexico P 23

CUBA


Rodriguez Meets With Peru's Foreign Minister Q 1
Meets With Garcia Q 1
Risquet Meets With Ghanaian Ashanti King Q 1
Commentary Sees Nicaragua Willing To Sign Peace Act Q 1
Chilean Repression Shows Level of Mobilization Q 2
Peasant Markets Clear Way for State Markets Q 3
Miret Calls for Improved Spare Parts Production Q 4
Machado Presides Over Electoral Commission Q 4
Hart Marks 26th Anniversary of Amateur Movement Q 4
Decree on Material Responsibilities Noted Q 4
Tank, Transport 25th Anniversary Marked Q 5
Briefs: Sancti Spiritus Airport Q 5


DOMINICAN REPUBLIC


Election Coverage Continues; Unity Seen R 1
Organizations Ask for Recount R 1
Pena Asks for Unity Government R 1
Balaguer, Majluta Agree R 2


CARIBBEAN


Caricom Leaders Seek Increased Regional Trade S 1


BARBADOS


ADVOCATE Applauds Rejection of Violence S 2

PANAMANIAN SAYS GUATEMALA LAYS CONTADORA 'TRAP'

PA221346 Panama City ACAN in Spanish 2105 GMT 21 May 86

[Text] Panama City, 21 May (ACAN-EFE) -- A Panamanian politician and member of the Contadora Group's negotiating team today indicated that Guatemala has foresaken its neutrality and has "laid a trap for Contadora." An official source who wanted to remain unidentified indicated that during the group's latest meeting with Central American plenipotentiaries last weekend the Guatemalan delegation underwent "strategic changes and joined Honduras' proposals" regarding Nicaragua.

Guatemala, Honduras, El Salvador, and Costa Rica back a joint proposal to define limitations of armaments and troops in the peace document on which the Contadora Group has been working since January 1983. According to the Panamanian negotiator, "Guatemalas's backward step makes us think sadly that the military handled that country's foreign policy much better." He said: "It would be good for the Guatemalans to change their minds."

The proposal presented by the four countries, which Nicaragua flatly rejects because it feels it has been inspired by the United States, "deliberately slows down the negotiations so that the document will not be ready for signing by 6 June." The document presented by the four nations sets forth a "table of values" for the number of men in arms and the types of armament to determine later a "highest possible number of points" for the area armies. The source said: "Such work would be so elaborate that it would slow down the completion of the peace document by a least 1 and 1/2 years."

The four Central American countries made progress toward a peace document that Nicaragua "cannot sign," said the member of the negotiation team and leader of the ruling Democratic Revolutionary Party, PRD, in Panama. The PRD National Executive Committee met today to consider, among other things, Panama's absence from the Central American presidents' meeting to be held this weekend in Esquipulas, Guatemala. The president's meeting was convened by the Guatemalan president after he considered among other topics, the creation of a Central American parliament.

The PRD leader said: Panamanian President Eric Arturo Delvalle, as a Contadora member, cannot attend the creation of an orgnization that seeks to replace Contadora. The Central American parliament is fostered by a country that has asserted that Contadora has failed. He also pointed out: In addition, "Panama is a Bolivarian and not a Central American state."

According to official reports, the Panamanian Government was not formally invited to the foreign and deputy foreign minister's meeting preliminary to the presidents; meeting to draft an agenda.

The Central American presidents' meeting will be attended by Daniel Ortega of Nicaragua, Jose Napoleon Duarte of El Salvador, Oscar Arias of Costa Rica, and Jose Azcona Hoyo of Honduras, in addition to the host president.

ANDEAN PACT COUNTRIES REACH AGREEMENTS

PA220135 Bogota EL TIEMPO in Spanish 17 May 86 p 17 C

[Text] The five governments of the countries that make up the Andean Pact finally reached an agreement yesterday in three basic areas that will allow the Cartagena Consensus to be revived from the stagnation and backwardness it has been in for several years.

The significance of the agreement that will lead Andean integration along new paths, was explained in Bogota by Gustavo Castro Guerrero, economic development minister and head of the Colombian integration policy, who maintained a permanent dialogue by telephone with the Colombian delegation at the meeting of the Cartagena Consensus commission in Lima.

The points of the agreement, which will permit the signing of an additional protocol that has been under discussion for years, are based on making the safeguard clause flexible and automatic as an instrument for regional protection, the preparation of a list consisting of the most sensitve items [bienes sensibles] of each of the five member-countries and the application to those countries of the most-favored-nation concept when measures benefitting third countries are taken.

The official said that the new modifying protocol is to be signed at the end of June in a special ceremony in the Galapagos Islands, Ecuador.

The agreement was reached by the commission, the political and decisionmaking body of the Andean Group, in a session in Lima, Peru. Nohora Rey de Marulanda, Incomex [Foreign Trade Institute] director and our country's plenipotentiary in that organization, is representing Colombia.

The minister explained that agreement was reached on three points of discussion about which there had been no consensus at the Caraballeda and Panama meetings. These points are:

The making of a list of sensitive items (different from the list of deregulated and exempted items dating from 1970) containing 30 to 50 items that each country considers truly sensitve, and that have been an obstacle to the normal development of the Andean Pact. Consequently, three lists of goods were drawn up: a list of more than 3,000 deregulated items, a list of exempted items, which in the case of Colombia contains 300 items, and a list of sensitive items, for which a rational trade flow among the five countries is established.

A safeguard clause is established for times when the internal policies of the countries are not compatible. This will allow Colombia to overcome difficulties in competing in the Andean agricultural market because of the number of subsidies and different exchange rate policies prevailing in other countries. The clause will be applied to all sectors of Andean production. It will facilitate trade and will prevent disruptions derived from sudden changes in the internal policies of each country.

The most-favored-nation clause states that when an Andean country grants most-favored-nation terms to a third country, the same terms will be extended to all Andean nations.

"These are the three main points that had really prevented the approval of the modifying protocol, and had kept multilateral trade relations and the industrial integration programs at a standstill in our countries," the minister said.

Castro Guerrero said that the agreements do not change the Andean Foreign Exchange Statute (Decision 24) or the sectorial programs of industrial development. Regarding the statute, a simple amendment made by the board is needed. More flexible forms of these rules are practically in effect in all Andean countries, inspired by the variations introduced by Colombia in foreign investment.

The Andean Pact's objective was to extend the market to our production sectors, and I believe that with these changes, we are headed in the right direction," the minister said. [quotation marks as published]

In the matter of industrial quotas, factors of comparative advantage must be taken into account and not the whims of the Cartagena board, he added.

With regard to the safeguard clause, he said that the agreement is for that instrument of protection to be automatic, just as Colombia had previously advocated, and for it to be applied to all countries. Ecuador, which had opposed this, finally accepted it, but asked that the current trade volumes be respected. "That is reasonable," the minister said.

"The problems that had kept the Andean Pact stagnant will be overcome with these agreements, which recognize the true dimension and reality of our countries' situations," the minister said, although he admitted that the ambitious level sought by the pact's founders will not be reached. "This is more realistic," he said.

GOVERNMENT BREAKS RELATIONS WITH SOUTH AFRICA

PY230221 Buenos Aires Argentina Televisora Color Network in Spanish 0000 GMT 23 May 86

["Press"] [communique released 22 May by Argentine Foreign Ministry, ready by unidentified official.]

[Text] Press communique. Break of diplomatic relations with South Africa. Buenos Aires, 22 May. The communique released by the Argentine Foreign ministry on 20 May reflects the Argentine Government and people's repudiation of the attacks by South Africa against the friendly nations of Botswana, Zambia, and Zimbabwe.

Following that communique the South African Government made official statements that, far from heeding the general protest of the international community over the attacks, confirmed the destabilizing and interventionist intentions of South Africa to the detriment of its neighboring African nations.

The Argentine Government believes that such acts are a direct consequence of an institutionalized regime of racial discrimination, which is inadmissible within the framework of the current international community. The continuation of such a regime is a threat to peace and international security as reflected by the repeated acts of aggression against neighboring nations and the illegitimate occupation of Namibia.

Under such circumstances, the Argentine Government has decided to sever diplomatic relations with South Africa. This measure is in effect as of 1800 Argentine time [2100 GMT] 22 May 1986. The diplomatic personnel of the South African Embassy in Buenos Aires will be guaranteed diplomatic immunity in accordance with the law of nations unitl they leave the country, no later than 31 May 1986. The Argentine people and government continue to be friends with the South African people without discrimination for any reason, and fervently wish them a future of justice and freedom, which are the only guarantees for a lasting peace.

ALFONSIN APPOINTS NEW AMBASSADOR TO LIBYA

PY230022 Buenos Aires BUENOS AIRES HERALD in English 22 May 86 p 11

[Text] (DYN) -- The government officially named Alberto Alvarez Pereyra as new Argentine ambassador to Libya yesterday. Libya has already approved the credentials of Alvarez, a lawyer by profession whose most recent diplomatic post was as consul general in Lyons, France, and whose appointment by President Raul Alfonsin is considered political. The new ambassador will leave sometime in the coming weeks for Tripoli. In another diplomatic development, Sweden approved the credentials of foreign ministry spokesman Albino Gomez as Argentina's new ambassador in Stockholm.

CONFLICTING REPORTS CONTINUE IN BOMB CASE

PY230014 Buenos Aires BUENOS AIRES HERALD in English 22 May 86 p 11

[Text] (NA-DYN) -- President Raul Alfonsin was to have come within two metres of the moderate-strength bomb at the Third Army Corps military base on Monday, the Federal Court here said officially last night.

The court said Alfonsin was scheduled to walk with top officers over a bridge over a drainage ditch, only 1.90 metres from where the bomb was found by chance by an alert policeman.

Meanwhile sources in Buenos Aires said the government will probably demand the resignation of Third Army Corps Commander Ignacio Anibal Verdura if the Army's investigation into Monday's bomb attempt on President Raul Alfonsin does not specify who was responsible for allowing the bomb to go unnoticed, said sources yesterday. Sources said Verdura has the confidence of Alfonsin and Army Chief-of-Staff Hector Rios Erenu but that his future as Third Army Corps Commander will hinge on the army report's findings. If the investigating team comes up with no details on who planted the bomb and why it sat for so long without being discovered, Verdura may be retired for not having carried out his "responsibility of command" to guarantee Alfonsin's security, said sources. The bomb holding 900 grams of trotyl inside two artillery cartridges was found on Monday morning while Alfonsin reportedly stood thirty metres away while watching military exercises.

In Cordoba, meanwhile, Miguel Rodriguez Villafane said yesterday that police have made no arrests in a separate investigation and admitted that there are "technical divergences" between military and police investigators over whether the bomb could have gone off. But court sources said that if the bomb had exploded with Alfonsin nearby, it would have been capable of killing him and those around him. Rodriguez Villafane said at a press conference that the discovery of the bomb will be re-enacted on Monday and that police will also set off the device, which was shown to journalists. Police investigations were reported to be depending heavily on films made during the militry exercises by television channel 10, which clearly shows the explosive being picked up by a member of the local police's bomb squad. Rodriguez Villafane said five people saw the bomb where it lay next to a drainage ditch, all of them Cordoba policemen.

Meanwhile Deputy Leopoldo Moreau (Radical-Buenos Aires) said unnamed persons were waging a "psychological campaign" to downplay the incident, which he said was "not an isolated incident but connected with recent events". Moreau added that responsibility for the bomb attempt rests with "those who command" the army unit. "These deeds should be analyzed in political terms and not as isolated police events", said Moreau. Echoing Moreau, Senator Antonio Berhongaray (Radical-La Pampa) said the bomb discovery should be treated as a serious assassination attempt and said he was confident investigators could get to the bottom of the episode because "this was not a bomb placed in a city of ten million people".

Political groupings including the Intransigent Party and the Movement for Integration and Development condemned the bomb attempt yesterday, as did Corrientes governor Jose Antonio Romero Feris. Deputy Carlos Grosso (Peronist-City) attributed the incident to "paramilitary groups that sustained the last military government and continue carrying out their violent practices".

PJ BLOC WALKS OUT OF CHAMBER OF DEPUTIES

PY221622 Buenos Aires TELAM in Spanish 0040 GMT 22 May 86

[Text] Buenos Aires, 21 May (TELAM) -- The Chamber of Deputies was not able to continue tonight with the debate on the national budget because the renewal faction of the Justicialist Party bloc left the chamber in disagreement over the alleged refusal of the state television channels to announce the Peronist rally scheduled for 23 May.

The Chamber of Deputies was left without quorum at 2120, therefore the chamber president ordered a recess until 1500 on 22 May, when debate will continue on the details of the national budget.

CGT APPROVES 13 JUNE FOR NEXT STOPPAGE

PY212132 Buenos Aires BUENOS AIRES HERALD in English 21 May 86 p 1

[Text] (NA-DYN) -- The General Confederation of Labour (CGT) yesterday confirmed a 24-hour strike for June 13 "in repudiation of the policy of misery and dependence by the government". Provincial labour leaders unanimously backed the directive council proposal to stage a sixth strike against the Radical government on the day previous to the Austral plan anniversary, and also agreed to hold a second 12-hour strike and popular rally later the same month.

The strike proposal was enthusiastically welcomed during a plenary meeting of union leaders from all over the country, although CGT head Saul Ubaldini first had to appease a few of the most hard-line regional delegates who sought 36 straight hours of strike action instead of two separate, shorter protests.

The union grouping also launched a revamped campaign to press its objectives and mobilize all social and political forces, which is to include meetings with Congress deputy blocs, plenary union assemblies, and a series of regional rallies throughout next month.

Also, among a series of proposed "action plan" measures endorsed by all present assembly members, unions were instructed to begin legal proceedings to achieve the creation of free wage-bargaining committees in charge of updating labour conventions. The CGT also demanded that law 20,744 covering work contracts be enacted, and pressed for the return of intervened social welfare funds to the respective unions.

In a harsh message blasting official policies and international economic pressure, the CGT warned the government: "We will take to the streets and parks to speak our truth and denounce injustice as well as arbitrary measures imposed against our will, and accepted by those who, through cowardice, consent to give away our destinies."

Meanwhile, yesterday's weekly socio-economic cabinet meeting predictably dwelled on labour unrest and future conference negotiations. Presidential Chief-of-Staff Carlos Becerra explained later that regardless of any strikes called by the CGT, the government hopes to see the union return to the bargaining table as talks begin anew next Monday.

For his part, Labour Minister Hugo Barrionuevo said "we have once again begun contacts with labour leaders," adding that he would be speaking to CGT leaders in his office this week. The government will strive to settle into a new dialogue with labour sectors, the minister added.

SALVADORAN PRESIDENT ATTENDS CONGRESS SESSION

PY221617 Brasilia Domestic Service in Portuguese 2200 GMT 21 May 86

[Excerpts] Salvadoran President Jose Napoleon Duarte was received today in a special congressional session. The session was held at 1030 and the anthems of El Salvador and Brazil were played. The session was chaired by Senator Jose Fragelli, and was attended by acting president of the Chamber of Deputies Deputy Humberto Souto, state ministers, president of the Federal Supreme Court, apostolic nuncio in Brazil, representatives of the diplomatic corps, and high-ranking officers of the three branches of the Armed Forces. Speeches were made by Deputy Jose Mendonca for the Chamber of Deputies, Senator Otavio Cardoso for the Senate, President Jose Napoleon Duarte, and Congress President Senator Jose Fragelli. The common note in all the speeches was the Central American crisis, and the support for the Contadora Group initiative which seeks a peaceful solution to the conflicts in that region.

Thanking Congress for the homage paid him, Salvadoran President Jose Napoleon Duarte said that he was happy to be in Brazil, where, he said, there is peace, development, and brotherhood. He reviewed the problems confronting El Salvador and the other Central American nations, then defended measures he finds necessary to strengthen not only those nations, but also Latin American nations. Duarte emphasized that the first necessity is the unity of all these nations in order to face international pressures. The Salvadoran president recognized the need to strengthen the Andean Pact and the OAS, and called for joint action to fight terrorism and drug traffic in the region. He went on to suggest frequent meetings of the Latin American presidents, and called for the strengthening of the Latin American Parliament. The Salvadoran president reiterated his country's support for the efforts being made by Brazilian President Jose Sarney for the demilitarization of the South Atlantic.

The visitor then reviewed the programs that have been completed and those that are being implemented in El Salvador in order to attain the country's political, economic, and social recovery. He recognized that despite the fact that he is making his greatest effort, he is aware that it will be very difficult to make progress without the support and cooperation from the friendly peoples and governments.

In closing the special session, Congress president Sen Jose Fragelli reiterated to the Salvadoran president the Brazilian solidarity with the Central American peoples. He noted that Brazil throughout its history has always defended the principles of autonomy and equality of nations. In the specific case of El Salvador, Sen Fragelli noted that Brazil, by supporting the Contadora Group, is acting with due respect for legal norms.

Fragelli then said that it is only natural that the Central Americans should expect a firms attitude of support from Brazil. Finally, he said that the Brazilian people are following the events in El Salvador, and concluded by asserting: You can be assured, Mr President Jose Napoleon Duarte, that the Brazilians wish the Salvadorans tranquillity, peace, and prosperity.

MILITARY CONTRACT WITH TURKEY SET FOR SEP

PY220312 Sao Paulo FOLHA DE SAO PAULO in Portuguese 20 May 86 p 8

[Text] Brazil is going to sign a contract late this September with Turkey for the sale of military equipment worth $2.3 billion. Turkish Defense Minister Zeki Yavuzturk was in Brazil from 10 to 17 May heading a military mission to negotiate the purchase of armaments with Itamaraty.

On 12 May the Turkish mission held a secret meeting in Brasilia with Foreign Minister Abreu Sodre to explain the Turkish government's interest in renewing its military arsenal because its current armaments are obsolete compared to the other Middle East countries. This is the first time Brazil has negotiatd arms sales with Turkey.

The Turkish defense minister on 13 May met with Armed Forces Chief of Staff Admiral Jose Maria do Amaral. The issue they discussed was the purchase of Brazilian military equipment and a strategic evaluation of its performance in battle. The next day the Turkish delegation went to Sao Jose dos Campos, Sao Paulo, a district located 97 km northeast of Sao Paulo, to visit the Avibras [Brazilian Airspace Industry] installations. After the visit, an agreement was reached to ship late this month four units of the Astros-2 multiple rocket launcher so that demonstrations can be staged in Turkey.

On 15 May the Turkish mission visited the installations of Engesa [Specialized Engineers Inc.] (also located in Sao Jose dos Campos) to get familiar with all the details of the manufacturing of the Jararaca, Urutu, and Cascavel armored tanks. the mission showed great interest in the EE-TI Osorio heavy tank. The mission then visited the installations of the Brazilian Aeronautics Company (Embraer) to get a close look at the construction of the T-27 Tucano military training aircraft and the AMX subsonic bomber-fighter.

Brazilian Navy Minister Henrique Saboia on 16 May invited the Turkish defense minister and his delegation to visit the installations of the naval arsenal in Rio de Janeiro. The Turkish delegation returned to Turkey on 17 May.

GROUP OF 77 DISAGREES OVER TRADE PREFERENCES

PY222210 Madrid EFE in Spanish 0406 GMT 21 May 86

[By Jorge Matiz Fernandez]

[Text] Brasilia, 20 May (EFE) -- It was impossible today to reach definite agreement on the application of a Global System of Commercial Preferences (SGPC) because some countries sought bigger profits, while others tried to become Third World trade leaders. After 2 days of negotiations, delegates from 50 of the 127 members of the so-called "Group of 77" less-developed nations have not been able to approve 6 of the 38 articles of the basic agreement on trade preferences.

One of the delegates today told EFE that the debates centered on the proposal to make the United Nations the trustee of the agreement. The source explained that "some countries have the intention of becoming the trustees of this agreement, which would give them political and commercial leadership within the group."

The technical commission working on the final agreement was also unable to reach a consensus on when to open the negotiations on the system. Although the draft of the declaration, which is to be signed on 23 May by the ministers, vice ministers, and delegates from the participating nations, establishes that the date will be September 1986, the representatives of the Latin American countries consider this "an effort to have it coincide with the interministerial ALADI meeting scheduled for that same month in Punta del Este, Uruguay.

The SGPC grants trade concessions to the countries belonging to the Group of 77; the only beneficiaries of the agreement. One of the main sources of disagreement among the participating nations involved the unilateral freedom of countries not to apply the trade preferences.

The agreement, which will be written by the ministers in its final form, will leave the concession of preferences to the discretion of the signatory countries.

Delegates of less-developed countries, especially from Africa, said during the meeting that this decision will bring about trade discrimination. Despite these disagreements, the technical commission in charge of drafting the final document and the ministerial declaration will have to decide on its specific contents on 21 May.

Discussion on the final agreement will begin on 22 May during a session of ministers and vice ministers to be opened by Brazilian President Jose Sarney. The "Brasilia Declaration" will officially announce on 23 May the starting date for the talks during which each country will present the list of products it is willing to submit to the trade preference agreement. The meeting will take place in Geneva, and its duration will be limitd to 1 year from the date it begins.

Finance Minister Comments

PY220250 Brasilia Domestic Service in Portuguese 2200 GMT 21 May 86

[Text] The finance minister has criticized the high interest rates and condemned protectionism in international trade. The industrialized countries, which refuse to recognize the significance of trade among the less-developed countries and their great interest in cooperating among themselves will be convinced by Finance Minister Dilson Funaro in a speech he made before the ministerial meeting now discussing a commercial preference system at Itamaraty. The so-called Group of 77 is meeting there to defend new norms for international trade.

Minister Funaro recalled that, despite the recent crisis that stunted the growth of cooperation among the developing countries, nearly a third of those countries' trade is transacted among themselves. This is why, he predicted, commercial relations among developing countries will grow even more as a result of the customs liberalization that they are proposing.

According to the finance minister, the growth of trade among the developing countries will bring about an expansion of economic activities, more jobs, and higher earnings in our countries. Funaro criticized the abrupt increase in international interest rates that was combined with the closure of the capital markets where the debtor countries refinanced their debts. He then affirmed that this situation created a crisis because of the lack of capital in many of the debtor countries, thus causing recession and impoverishment.

In conclusion, Funaro criticized the rich countries for trying to create new rules of international trade, including new rules for the area of services, which encompasses the informatics sector. Instead, he said, those countries should try to eliminate the rising commercial protectionism.

PARLIAMENTARY ASSSEMBLY CONDEMNS PINOCHET REGIME

PY222242 Paris AFP in Spanish 1935 GMT 21 May 86

[Text] Santiago, 21 May (AFP) -- Today in Santiago legislators from 12 European and Latin American countries condemned the military regime of President Augusto Pinochet, and demanded free elections in which the people will be able to secretly cast their votes, fully aware of their options, to elect a democratic government for Chile.

The deputies and senators met here at the invitation of former members of the Congress, which was closed when the Armed Forces seized power 12 years ago. The hotel where the meeting was held in downtown Santiago was sealed off by police and troops during the 3-day meeting, and the social leaders who were to testify about abuses committed by the government were prevented from entering. Pedestrians were stopped and some 400 stores had to close their doors within several blocks of the hotel.

The legislators were bombarded with tear-gas grenades as they left the hotel on Tuesday to observe a nearby street demonstration.

The final statement approved by the foreign legislators states: We have verified that Chile has no democratically elected or duly controlled leadership or Constitution to protect the right of the people. The police and the judicial branch offer no protection against violence and injustice, and there is no social policy which can give hope to the millions of people who live in bitter poverty, and who are enduring constant raids (on their homes), the statement adds.

The International Parliamentary Assembly for Democracy in Chile also demanded an end to banishment, exile, political persecution, torture, the forced disappearance of people, the proscription of parties, and the arbitrariness of the security services. We will inform our governments and congresses of our experiences and impressions, and we will continue demanding respect for human rights in Chile in the appropriate international forums, the lawmakers stated.

These legislators, who came from the FRG, Argentina, Bolivia, Brazil, El Salvador, Spain, Finland, Italy, Norway, Peru, Sweden, and Uruguay, recommended a process of negotiation for the transition to democracy.

Social mobilization (of the opposition) is suicide without negotiation, and negotiation without mobilization (against the regime) is surrender, according to the legislators' report. These lawmakers belong to Socialist International, the World Union of Christian Democrats, and the Liberal International. At the present time there is no dialogue in Chile between the government and the opposition, the former trying to remain in power until 1989, and the latter hoping to make the country ungovernable to accelerate the fall of President Pinochet.

Meeting Ends

PY221601 Sanciago Domestic Service in Spanish 1100 GMT 22 May 86

[Text] The international parliamentary assembly held at the Tupahue Hotel in Santiago has ended after 3 days of deliberations. The country has not really paid much attention to this assembly or to its decisons and conclusions. The assembly ended as had been predicted by different sectors of the nation, with a clear interference in Chilean domestic affairs.

Defense Minister Patricio Carvajal has denounced the interference in Chilean domestic affairs by the foreign congressmen who meet in Santiago. Carvajal called these congressmen meddlers, who are seriously violating the principle of nonintervention.

Pinochet: Organizers 'Traitors'

PY222346 Santiago Radio Chilena in Spanish 1700 GMT 22 May 86

[Report From Government Palace by Eliana Henriquez]

[Text] President Augusto Pinochet today labeled the organizers of the international parliamentary assembly that met for 3 days in Santiago as traitors. During a breakfast meeting with the journalists accredited in the Government Palace, Pinochet stated that unfortunately he learned too late about the meeting, that otherwise he would not have accepted the presence of the foreign representatives in the country. Pinochet added that some of these nations have no reason to come and give lessons to Chile and some are just overcoming their problems and already feel qualified to give lessons. He also harshly criticized those who sponsored the meeting. I am the boss here, Pinochet said in answer to a question about the statement made by Foreign Minister Jaime del Valle, who supported the holding of the parliamentary assembly. Pinochet went on to say that the foreign congressmen stayed 4 days in Santiago and saw the disorder that was prepared just for them, and they will certainly convey this image abroad.

Pinochet also said that the government will respond to the offensive that will probably be unleashed against Chile after the assembly by serving the country without imposing stiff laws. Regarding the actions of Army personnel with their faces painted in the streets of Santiago, Pinochet stated that their involvement is aimed at cooperating with the police to keep order. He added that the soldiers had their faces painted because their pictures are taken and published in the little opposition magazines, and the poor soldiers suffer because of this. Asked if the presence of Army personnel in the raids in the poor districts had the same purpose, Pinochet answered that it did. He added that there are no problems in those operations because the people themselves are the ones who asked for it. He said that not all the houses are raided, only those suspected of having weapons and that the people are happy because they are given sandwiches and soft drinks.

Regarding relations with the church, Pinochet said that the relations are excellent but that church employees who violated the law will have to face the courts and the appropriate sentences. He added that the church should not get involved in politics. Pinochet also stated that his main concerns are how to lower unemployment, improve economic conditions, and solve the university problems. Regarding international relations Pinochet said that Chilean relations with the neighboring countries and with the United States are normal.

ARGENTINE LAWMAKERS REVEAL INCIDENT WITH MILITARY

PY212206 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0203 GMT 20 May 86

[Text] Buenos Aires, 20 May (NA) -- Sources close to a delegation of Argentine congressmen visiting Chile have confirmed that there was an incident between the Chilean Military Forces and the group of Argentine congressmen as they were leaving the Argentine Embassy in Santiago.

In comments over the telephone from Santiago, Deputy Jose Luis Manzano of the Peronist renewal faction stated that "both the incident and the indiscriminate aggression against the Chilean people, who were peacefully demonstrating on the streets, show that the genocidal dictatorship is incapable of understanding reason," and he called for "international action against the Pinochet regime."

Sources close to the Argentine delegation have commented that the incident occurred when the 15 members of the delegation left the embassy and saw some 50 soldiers with armored trucks deployed at the two intersections near the embassy "with the apparent purpose of controlling the activities of the lawmakers." At that time, a female Chilean journalist approached the group to interview them, but the armed soldiers prevented her from making contact. An embassy official then spoke with the Chilean forces. He requested that a high-ranking officer be summoned and that the journalist be released, but some of the soldiers aimed their weapons at the Argentine lawmakers, causing a tense situation which ended with the arrival of a high-ranking officer who ordered the troops to withdraw. The Argentine delegation is in Santiago to participate in a conference for democracy together with another 65 Latin American and European lawmakers.

OCCUPANTS OF INDIAN EMBASSY LEAVE PEACEFULLY

PY222129 Paris AFP in Spanish 1601 GMT 22 May 86

[Text] Santiago, 22 May (AFP) -- Diplomatic sources today reported that the five leaders of the workers' neighborhoods in Santiago have abandoned the Indian Embassy in Chile, where on Tuesday they began a peaceful occupation to protest the massive raids being conducted by police and Army forces in those areas. The group, which left the embassy peacefully, belongs to the Santiago Metropolitan Dwellers Coordinating Board. It was led by Mario Araneda, chairman of the organization. This peaceful but firm action, sought to attract domestic and international public attention to these military attacks on the humble people of Santiago, Araneda stated. The Chilean Human Rights Commission has reported that over the pst 3 weeks, Army troops, Carabineros militarized police, detectives, and security agents have raided 33 poor neighborhoods and detained more than 15,000 persons, who were later set free after their identification was checked.

GROUP ATTACKS FORMER SECURITY CHIEF'S HOUSE

PA230316 Paris AFP in Spanish 0230 GMT 23 May 86

[Text] Santiago, 22 May (AFP) -- According to police sources, the house of General Manuel Contreras Sepulveda (Ret), former chief of security services in the Chilean military government, was attacked tonight with explosives and machine-gun fire by a commando unit of unidentified persons, who fled.

The first reports indicate that no one was wounded at the residence, which is located in the eastern sector of Santiago. Nevertheless, the explosion inflicted considerable damage to the premises. Gen Contreras was director of the dissolved National Intelligence Directorate (DINA), the secret police during Gen Augusto Pinochet's regime.

REBELS OCCUPY CARACOL TRANSMITTER, AIR MESSAGE

PA221412 Hamburg DPA in Spanish 1455 GMT 21 May 86

[Text] Bogota, 21 May (DPA) -- Early today a guerrilla group occupied the transmitters of Cadena Radial CARACOL in Medellin, the country's second largest city, and aired a 30-minute message against the presidential elections to be held in this country on Sunday.

In addition, fleeing from the siege laid by the police almost immediately in Medellin's western sector, the rebels left three bombs in one of the transmitter towers, but the explosives did not go off.

The attack on the transmitters occurred at 0630, and only the operator and some of his relatives were there. There were no casualites in this operation.

According to CARACOL, the guerrillas identified themselves as members of the National Guerrilla Coordinating Board (CNG), a recently formed organization which includes the 19 April Movement (M-19), and the "Ricardo Franco" and "Quintin Lame" (pro-Indian) fronts.

So far, however, the CGN had limited its operations to Valle and Cauca Departments, in the country's southwest, where its main vanguard is the so-called "America Battalion," which, it was discovered, included Peruvian and Ecuadoran guerrillas.

The message aired by the rebels was recorded. The guerrillas withdrew from the transmitters without any problems. Several men and a woman participated in the occupation.

The explosives left attached to the transmitter were deactivated by police experts.

CLANDESTINE STATION BEGINS BROADCASTING

PA221515 Bogota EL TIEMPO in Spanish 19 May 86 p 2 A

[By Pablo Guarin]

[Text] Puerto Boyaca, 18 May -- Great commotion prevails in the middle Magdalena region following the appearance of an alleged clandestine station that has identified itself as the Voice of Freedom. The station has broadcast announcements which indicate that unidentified groups will become the peasants' spokesmen to denounce the actions of communist subversives, particularly the armed group of the pro-Soviet community party, the self-styled FARC.

These groups reject and condemn the vile murder (according to the station's version) of the 14th Brigade's members close to Puerto Berrio and blame the FARC for this action. The station announced that its headquarters is located in a Caribbean island and may be heard on short wave. The anchorman has a Central American accent.

The radio station was clearly heard this morning in Puerto Boyaca, Cimitarra, and Puerto Berrio; there is no information about who might be in charge of the organization.

BROADCASTS INTERRUPT RADIO NANDUTI'S PROGRAMS

PA230336 Paris AFP in Spanish 0248 GMT 23 May 86

[Text] Asuncion, 22 May (AFP) -- The interference being withstood for the past 15 days by the combative Paraguayan station Radio Nanduti worsened today when an anonymous broadcast interrupted its program and accused the station's officials of being "Bolsheviks" and "communists," it has been stated by the spokesmen of this radio station in Asuncion.

In addition, the state-owned Telecommunications Administration (Antelco) told a judicial magistrate that the police, or the courts, are responsible for detecting the criminals who interfere with the station's broadcasts.

The judge had asked Antelco to urgently reply to a request for information about the actions against the radio station, which opposes General Alfredo Stroessner's regime.

Humberto Rubin, director of the radio station, told the news media that the reply issued by Antelco allows those who interrupt the radio station's programs to continue their actions unpunished.

Radio Nanduti's board of directors tried to hire a Paraguayan Monitoring expert to locate criminals, "but we have found no one," AFP was told by a radio station spokesman. "All the professionals are afraid of government reprisals if they agree to collaborate with us," he added.

MOPOCO LEADERS MEET WITH CHURCH, EXPLAIN POLICY

PY230207 Asuncion ULTIMA HORA in Spanish 21 May 86 p 10

[Text] During its first meeting with members of the church team that will handle the national dialogue, the Colorado Popular Movement [Mopoco] submitted several basic proposals. Waldino Ramon Lovera, who went to the offices of the CEP [Paraguayan Episcopal Conference] with other Mopoco members, has announced that the talks were positive. He explained that the Mopoco outlined the basic guidelines of its current policy with regard to various aspects of national life.

At the domestic level, the Mopoco advocates institutional normalization through a transitional government capable of producing a democratic opening. In the economic field, the Mopoco wants the implementation of economic ground rules aimed at fostering growth to overcome poverty and social backwardness in the social area, it seeks to do away with the oppression of some groups by other groups, and the oppression of society by the state.

Another important issue discussed with the church team was what Lovera called "the just aspirations of the people. We insist that the national dialogue must also include dialogue between the parties, in view of these aspiration, and because we are convinced that dialogue is a valid means to attein agreements on burning national problems."

Lovera said: "When this important meeting began we asked the church to urge the government to take magnanimous steps, such as allowing all the exiles to return and lifting the state of siege, because we believe that no interlocutor will be able to participate in the dialogue if he has no freedom of action and he has the sword of Damocles hanging over his head, or some other control or harassment."

GARCIA ON SOCIALISM, COMMUNISM, IMPERIALISM

PA221659 Mexico City XHDF Television Network in Spanish 1955 GMT 21 May 86

[Interview with President Alan Garcia by Jorge Saldana; no date or place given -- recorded]

[Excerpt] [Saldena] Sir, you talk about freedom, imperialist struggle, and just distribution of riches. Are you not perhaps establishing a position within socialism or communism? I want to ask you this because certain peoples who have heard you have said: The president of Peru is a communist.

[Garcia] No, for one reason. Socialism, nowadays, is quite different from socialism early in this century. In those days socialism meant statism; that is how it was understood. Eighty years later, thanks to historical events and the changes made in concepts, socialism is part of democracy and liberty. Consequently, equality, economc planning, and the state's strength to counter international economic abuse do not represent communism. We essentially believe in freedom; we basically believe in pluralism and freedom of expression -- despite all the problems which this entails most of the time -- because this is a calculated risk within democracy. Thus, justice can be linked with freedom.

The truth is that we have been taught that a Latin American revolution or a revolution in a poor country must be waged by a group of unsociable, dogmatic, and intolerant people -- who have been vulgarly called communists for some time. I think that now even the communists, themselves, know quite well -- after the European experience, or eurocommunism -- that justice cannot be enforced without freedom and the people do not want to eat the bread of slavery. No nation wants this, neither the Mexicans nor the Peruvians; no nation wants this. The people want bread, but they want bread with freedom.

[Saldana] Sir, this frontal struggle you are waging against imperialism, do you not think that it is somewhat, well, daring, Mr President? Is it not daring to declare yourself anti-imperialist in Latin America when, as a matter of fact, the imperialists have the power, money, and weapons?

[Garcia] Sure, but freedom is always obtained by the majorities and the most weak. Likewise, this is not a daring thing; Mexico has been a country full of anti-imperialist examples. Mexico has been the country which most directly and closely suffered an oppressive presence, and Mexico has given proof -- throughout its history -- of what a nation can achieve when it acts united and convokes the most poor, which are the majority. Thus, you must necessarily be anti-imperialist to become a revolutionary in Latin America, in the good sense of the word. Revolutionary does not mean agitator, armed rebel; it means knowing that Latin America's future must include the options which other nations have had.

We are a rich continent, we are an enormous continent. Why cannot our citizens attain the same living conditions that the Europeans and the Americans have had? I believe that this is basically because the Americans are the united states and the Latin Americans are the disunited states. The consequence of this lack of unity is our poverty. Furthermore, we have surrendered ourselves, divided and isolated, to the economic strength of the most powerful. Consequently, you must be audacious and adventuresome if you want to change history, and I think that Mexicans have a series of really romantic figures due to the realism of their decision. This includes (Apatzingan), Benito Juarez, and Lazaro Cardenas. I think all these people have taught us that Latin America's time for adopting a decision, for taking actions, has come. Enough of talking pretty or talking in half words, enough of talking so much; we must adopt decisions.

## AUTHORITIES ON PLOT AGAINST DEMOCRACY IN CUZCO

PY212146 Madrid EFE in Spanish 1558 GMT 20 May 86

[Text] Lima, 20 May (EFE) -- Following the wave of strikes and clashes between the police and students in Cuzco yesterday, the Peruvian authorities today spoke of a plan aimed at destabilizing democracy. Armando Villanueva, secretary general of the ruling APRA Party [American Popular Revolutionary Alliance],and Prime Minister Luis Alva Castro made this charge in relation to the strikes that are being staged, mainly in the state sector. Villanueva urged the workers "not to allow themselves to be forced into destabilizing maneuvers against democracy." About 60,000 workers of the health sector are today expected to join the 12,500 doctors of the health and social security sectors who have been on strike for 90 days and 170,000 professors and university employees who have been on strike for 2 weeks. Tomorrow, about 500,000 public administration clerks will go on a 48-hour strike, which may become indefinite on 27 May if their salary demands are not met. Cuzco Mayor Julio Jara reported a destabilizing plan after the serious 6-hour clashes between police and students yesterday. The students built blockades on streets and roads leading to the city, 1,000 km south of Lima. Julio Jara has stated that a call for subversion and armed struggle has been formed from Cuzco's San Antonio Abad University. He added that 10 students who were handing out subversive propaganda of the illegal Tupac Amaru Revolutionary Movement (MRTA) were arrested on 17 May. He also said that yesterday, dynamite was found in a rest room of Cuzco's airport.

Meanwhile, the Sole Front for the Defense of Cuzco Interests has concocted a general stoppage in the city where its mayor, Daniel Estrada, and members of the Council today went on a hunger strike. Concerning this stoppage, Prefect Jara stated that it will only affect 15 percent of the people and that the train and airline services are normal. Estrada explained that the government "kept silent" regarding Cuzco's economic petitions, and that for this reason "a strike is the only recourse left." The Cuzco major termed as "lacking" the assistance sent by the government to alleviate the effects of the earthquake that rocked Cuzco on 5 April, killing 10 people and causing thousands of victims and serious damage. For his part, Carlos Chacon, the San Antonio Abad University dean, has denounced repressive abuses by the police, of which he himself was a victim. The dean has stated that no politics are practiced at the university and offered himself to mediate the conflict.

### Labor Situation Near Normal

PY221753 Lima Radio del Pacifico in Spanish 1300 GMT 22 May 86

[Excerpts] According to the latest news, the labor situation is gradually returning to normal throughout the country. While the strikes of the CITE [Inter-Sectoral Committee of State Workers] and the Cuzco workers were basically unnoticed, the doctors lifted their strike yesterday. The doctors made this decision because President Alan Garcia promised to meet with them today. Meanwhile, SUTEP [Sole Trade Union of Education Workers] teachers yesterday met with Lima prefect and promised not to hold any more public marches in downtown Lima, thus displaying goodwill and the hope of reaching an agreement, that would permit students to go back to school. The members of the CITE did not comply with the instructions to strike on 20 and 22 May issued by their leadership. In most ministries work proceeded as usual, with little absenteeism. In Cuzco, only a few workers joined the regional strike. According to information, the Front of the Defense of Cuzco Interests has announced that the programmed strike has been suspended and postponed until 26 May. A multiparty commission will go to Cuzco to evaluate the problems and see what can be done to resolve them as soon as possible.

CONTADORA DOCUMENT, NICARAGUAN PROPOSAL VIEWED

PA221617 Mexico City UNOMASUNO in Spanish 19 May 86 p 18

[By Oscar Edmundo Palma]

[Excerpt] Disagreement has persisted over the Contadora peace document, to be signed on 6 June, at the meeting of the Contadora deputy ministers and the Central American plenipotentiary representatives that recently concluded in Panama. Although Nicaragua has agreed to discuss arms limitations -- a key point in the process -- it has proposed to negotiate this point after sigining the document. This has been rejected by some of the parties. If to this we add the fact that Washington (with no direct participation in the talks) has given no signs of ceasing the aggression against Nicaragua, as Managua has also demanded, we can see that the efforts the group has been carrying out for the past 3 years are in danger of failing, this time definitively. These efforts have been unprecedented in tenacity and sincerity in the history of Latin America diplomacy.

Obviously, the draft peace document is not all-encompassing or a magic wand to resolve a conflict with such profound roots and extensive implications as the Central American conflict. In order to resolve it, many actions would be required. It is an entirely difficult and complicated process that cannot be restricted to a timetable or be subjected to static formulas. Nowadays, the document is a good start, a reasonable point of departure, despite its limitations and vagueness. This is inevitable at this time, when efforts are being made to direct and balance extremely adverse positions of the United States and its local followers, who temporarily have the initiative, and of Nicaragua, which is practically alone on the isthmus.

Managua has complete justification to ensure the establishment of the appropriate guarantees so that the Pentagon does not attack it once the document is implemented. The implementation of the document would imply a disarmament mechanism, the major results of which would be observed on the Nicaraguan side, given the balances of forces in the region. Undoubtedly, should Nicaragua gives up its defensive [as published] means while the United States maintains untouched the complete apparatus it has created against the Sandinist revolution, inside Nicaragua and on its borders, it would make a serious mistake, historically unforgivable. Such an action would be like voluntarily exposing itself to a knife attack. Furthermore, it would mean to renounce the national sovereignty and independence which, according to that proclaimed by Sandino during the years of the U.S. intervention, are not to be negotiated and should be defended with arms.

However, sometimes the Sandinists seem at times to have lost the political aspect from sight. Some wars can be prevented, avoided, and at times can be settled through peaceful solutions. So far, the repeatedly announced U.S. invasion of Nicaraguan territory has been prevented through negotiation. The Pentagon plans have had to face not only the firmness and spirited determination of the Nicaraguan people, but also that of international opinion, in particular Contadora. Without taking sides in the internal conflict, Contadora has acted as a buffer. Should the peace document be signed, this would become a more significant task, and thus deserves much cooperation.

What makes the Nicaraguan position incomprehensible is the feeling of "everything or nothing" left in some parts of their speeches. Some leaders seem to be saying: "We will get all we are requesting, or we will not sign." What they have requested is more than just. However, logic seems to indicate that it is not possible to start from the end, that in these cases one must go from the particular to the general.

Then there is some innocence. For example, last Saturday Foreign Minister Miguel D'Escoto said there can be no illusions for peace because it is not possible to trust the United States, because Washington takes on commitments which it violates afterwards. This is true, but it is also true that they can be forced to honor them. Otherwise, diplomacy would have disappeared, peace groups such as Contadora would not be necessary, and the world would unfortunately be exposed to the worst.

EDITORIAL ON POSSIBILITY OF SIGNING PEACE ACT

PA202142 Mexico City EXCELSIOR in Spanish 19 May 86 p 6 A

[Editorial: "War or Peace"]

[Excerpt] President Vinicio Cerezo of Guatemala does not doubt that a growing arms race would end up throwing Nicaragua into the arms of the Soviets and that the rest of Central America would be thrown into the arms of the United States. The immediate objective is to avoid that.

Costa Rica views the Central American conflict in a very different way. While President Cerezo is afraid that the arms race path could lead to an open confrontation between the superpowers, Costa Rican President Oscar Arias believes that the area's problems are a result of the East-West confrontation, and not of North-South tension.

President Arias has adopted a hard-line position toward Nicaragua. He believes that Nicaragua fears elections, that its leaders are dogmatic, and that if Nicaragua decides not to sign the Contadora act, it will be viewed as a culprit and that not even her friends will forgive her for that. The truth, we must acknowledge, is that although the Sandinist regime is not perfect, it has, among others, the virtue of using a clear and realistic language regarding the act and the possibility of signing it. It knows perfectly well that if it acts hastily it could become extremely vulnerable. Nicaragua is being harassed from abroad, not only militarily, but also by skillful diplomatic maneuvers that have subtly placed on Nicaragua the responsibility for signing or not signing the Contadora peace act. It really has much to lose if it does not sign.

The Costa Rican president has correctly pointed out his democratic vocation and trusts that the idea of forming a Central American parliament -- an idea that will be discussed in Esquipulas -- will have the support of all the nations of the area. Let's hope so, because regardless of the type of government that each country may decide to have because of its history and its interests, it is a fact that the superpowers are lying in wait and that they would take advantage of any opening favorable to them.

What is, then, the situation in Central America? The president of El Salvador has told this daily that he is optimistic about the future of democracy in the region and that he views Nicaragua as an obstacle. The president of Honduras has said that the solution is in the hands of the Sandinists, who should respect the people and give liberties. The president of Costa Rica believes that he, as a democrat, has the responsibility of making Managua see the virtues of pluralism. Finally, the president of Guatemala has said that each country "is somewhat right" and that right now Nicaragua is not an expansionist state.

Nicaragua is, of course, in the core of the conflict. It is a country economically blockaded from abroad, being attacked by mercenary forces, and accused of initiating regional militarization with support from the East.

The social project of the Sandinists -- a project that includes Marxism as one of its components -- has not been able to flourish because from the very beginning it was made to appear as evil and damned. Therefore it would be illogical to argue that Managua would benefit from prolonging the current situation indefinitely. Nicaragua would be the country that would benefit most from a definite pacification of the area. If, in spite of everything, President Daniel Ortega and the other Sandinist leaders are reluctant to sign the Contadora peace act it is because they are thinking about the warlike framework of a superpower ready to erase the Nicaraguan revolution.

Let us be realistic. The probabilities that the peace act will be signed are scarce. However, the will to take control over our own future must prevail. This is, at this moment, what is most important for Central America.

200,000 MARCH AGAINST U.S. 'INTERVENTIONISM'

PA221336 Mexico City XHDF Television Network in Spanish 0300 GMT 22 May 86

[Excerpt] In an event to support national sovereignty, more than 200,000 demonstrators of all political parties, regardless of their ideologies, have marched down the city streets and gathered at the Zocalo plaza to repudiate U.S. interventionism. The absence of the National Action Party was obvious. We have a report here by Rocio Galvan and Manuel Almendra:

[Begin recording] [Galvan] Representatives of all the political and ideological groups of the country met this afternoon to protest against the U.S. interventionist intentions.

[Almendra] The so-called unity march to defend national sovereignty began at the Revolution Monument at 1700.

[Galvan] In a single front, the march was headed by Porfirio Munoz Ledo, former Mexican ambassador to the United Nations; Maria de Echeverria, wife of the former Mexican president; Juan Jose Brenes, a federal deputy; Jesus Salazar Toledano, leader of the PRI in Mexico City; Rafael Riva Palacios, leader of the Labor Congress; and all the secretaries general of leftist political parties. [end recording]

GREEK PRIME MINISTER PAPANDREOU TO VISIT

FL220157 Mexico City NOTIMEX in Spanish 2334 GMT 22 May 86

[Text] Mexico City, 21 May (NOTIMEX) -- Greek Prime Minister Andreas Papandreou will soon visit Mexico to discuss matters of bilateral interest with President Miguel de la Madrid. This has been announced by Greek Ambassador to Mexico Constantino Vassis who said the Greek prime minister's visit will strengthen existing ties between the two governments. Likewise, he underscored that his country shares Mexico's concern over the Central American conflict inasmuch that region is experiencing a conflict of interests between the United States and the Soviet Union and that the solution to the conflict tends to be prolonged. He said that Central America is going through the same situation existing in Cyprus, where Turkey's expansionism threatens to aggravate the already weak stability in the Middle East. Vassis added that in both instances Greece supports the initiatives aimed at guaranteeing people's independence whose sovereignty is threatened by some countries' intervention in other countries' domestic affairs.

On another matter, the diplomat said his country wishes to have better trade relations with Mexico but that there are geographic limitations. He asserted that despite of the limited economic relations, in 1985 Mexico sold Greece various goods amounting to $2.5 million, while Greece sold Mexico $250,000 worth of goods.

## PERUVIAN PRESIDENT GARCIA POSTPONES VISIT

PA230157 Panama City Televisora Nacional in Spanish 0044 GMT 23 May 86

["Cablegram" sent by Peruvian President Alan Garcia to President Eric Arturo Delvalle on 22 May; read by Guillermo Antonio Adames, press secretary of the Panamanian Government -- live]

[Text] His Excellency Eric Arturo Delvalle, constitutional president of the Republic of Panama

On this date I am sending you through your ambassador in Lima the following letter:

Dear president and friend:

I am particularly pleased to address this letter to you in response to the kind letter you sent me through your foreign minister, our mutual friend Jorge Abadia Arias.

Although I had set the date of my visit for 28-29 May, it so happens, Mr President, that for reasons inherent to Peru's internal politics I find it impossible to fulfill on the scheduled date this commitment that is very significant to me and which I expect to carry out soon on a mutually appropriate occasion.

Reiterating to you my gratitude for your kind demonstrations of appreciation and friendship toward my country, I beg you to relay to the Panamanian people my permanent affection and solidarity.

Cordial regards,

[Signed] Alan Garcia Perez, president of the Republc of Peru

## BRIEFS

NEW ENVOY FROM MEXICO -- The Mexican Embassy in Panama has reported in a press bulletin that President Miguel de la Madrid has appointed Carlos Planck Hinojosa as the Mexican ambassador plenipotentiary to Panama. [Summary] [Panama La PRENSA in Spanish 16 May 86 p 9 A PA]

## COSTA RICA

### MADRIGAL ON PROPOSED CONTADORA AMENDMENTS

PA221635 Panama City ACAN in Spanish 0330 GMT 22 May 86

[By Wilfredo Chacon S.]

[Text] San Jose, 21 May (ACAN-EFE) -- A new pro-peace bloc emerged last weekend in Panama within the framework of the meeting held by the deputy foreign ministers of the Contadora Group and the Central American plenipotentiaries, the Costa Rican Foreign Ministry reported today. Costa Rica and Guatemala headed the initiative at the meeting and proposed a new formula to enter a "real, direct, simple, and equitable negotiation" in order to approve the sections pending in the Contadora document and to sign it next 6 June. The Honduran and Salvadoran Governments, after taking everything into account, joined the initiative and supported the terms of the proposal, it was reported The topics pending refer to "military maneuvers" and "weapons and troops," which are part of the chapter on security and the completion of the verification mechanisms. Costa Rican Foreign Minister Rodrigo Madrigal Nieto reported this at a press conferene at which he explained the Costa Rican delegates' participation at the conclave, which ended without approval of the Contadora document.

Among the virtues of the Costa Rican and Guatemalan initiative, the Costa Rican foreign minister said that it allows the Central American countries the freedom of reasonably fulfilling their security needs and avoiding a spiraling arms buildup that would be endless, "which is what they are trying to prevent." The proposal supported by four countries, with the exception of Nicaragua, "reduces and restricts national and international military maneuvers, in the number of participants as well as in their length." The proposal also regulates the distance between maneuvers and borders, demands the presence of observers from neighboring states, and a previous notification 30 days in advance to those neighboring states.

The new part of the initiative establishes a system to evaluate the military needs of the Central American countries and establishes the maximum levels of military development for each country. The limitations and the evaluation tables would have to be negotiated prior to signing the document, so that they could be included as an integral part of it, warned the Costa Rican delegation, formed by Deputy Foreign Minister Carlos Rivera Bianchini, International Policy Director Alvar Antillon, and adviser Patricia Duran. In addition to achieving these commitments within a maximum of 90 days, the governments in the area would promise not to introduce new arms, including "arms that are excessively dangerous or which have indiscriminate effects."

Madrigal Nieto underlined that the new proposal sums up three other proposals presented separately by the Contadora Group, Honduras, and Nicaragua, which have not been approved. Costa Rica has questioned the three proposals for different reasons: the Contadora proposal, because it felt that its terms were inexact, subjective, and variable "on an issue that requires mathematical precision and does not allow subjectivity;" the Honduras proposal, because it admitted excessive periods and quantities of military maneuvers, and because it did not propose an easy formula regarding the arms buildup; the Nicaraguan proposal, "in regard to our country" does not permit the reduction of arms or military troops.

The Nicaraguan Government proposes that that chapter be divided into defensive and offensive categories, and its delegates warned that defense "cannot be subject to any negotiation" or restrictions. Describing the new formula presented by Costa Rica and Guatemala, which is now supported by El Salvador and Honduras, Foreign Minister Madrigal Nieto said that it should be considered as "a step forward in the difficult subjects of the document pending approval."

ARIAS CONFERS WITH PANAMA'S GEN NORIEGA

PA210412 San Jose radio reloj in Spanish 0100 GMT 21 May 86

[Text] President Oscar Arias Sanchez has denied that his government is negotiating political asylum for counterrevolutionary Commander Eden Pastora in Panama. He said this after meeting with General Manuel Antonio Noriega, commander of the Panama Defense Forces, at his residence. Arias Sanchez recalled that Pastora must first face charges pending with Costa Rican justice that could be resolved in a few months. In the meantime, Pastora cannot leave the country. President Oscar Arias said that he discussed bilateral relations during a very satisfactory meeting with Gen Noriega this afternoon.

He said he hopes that relations with Panama will continue to be as friendly and fraternal as they have been in the past. During the meeting, they also made a quick review of the Central American [word indistinct] and reiterated the hope that the Contadora document will be signed by all area countries on 6 June

During their meeting this afternoon, President Oscar Arias and Gen Manuel Antonio Noriega did not discuss security matters and [words indistinct] military man on the alleged use of national territory by the Panamanian military opposition. In this regard, Noriega pointed out that the common border is one of friendship and integration and the guerrilla is only a guerrilla of words.

Gen Manual Antonio Noriega said that Panamanian President Eric Arturo Delvalle will not attend the Esquipulas meeting due to internal reasons. It was initially announced that Delvalle would accompany other area heads of state to the meeting that will take place next Saturday in that Guatemalan City. However, it was reported yesterday that Delvalle will not attend. Noriega said that this is because the Panamanian president must work on the preparations pertaining to a vist that his Peruvian colleague Alan Garcia will make to Panama in the next few days.

PASTORA FORMALLY REQUESTS POLITICAL ASYLUM

PA221729 San Jose LA REPUBLICA in Spanish 22 May 86
[Text of letter by Commander Eden Pastora Gomez, chief of the Nicaraguan Sandino Revolutionary Front, "delivered" to Colonel Rogelio Castro Pinto, Costa Rican deputy public security minister; date not given]

[Text] Dear Mr Minister:

I formally ratify the terms for my request for asylum which Joaquin Vargas Gene submitted to you on my behalf on 14 May.

I reiterate my formal request to be granted political asylum in this country in accordance to the laws of the Republic of Costa Rica and with the unbreakable promise to completely abide by them.

Current circumstances have led me to withdraw from the armed struggle which I, as well as my men, had been waging at great personal sacrifice to return freedom and democracy to the people of Nicaragua. I assure you that I will not participate in any sort of armed movment against the Nicaragua Government in Costa Rican territory and that I will faithfully respect the principle of neutrality decreed by the Costa Rican Government. I intend to live, strictly engaged in civil and political activities, with my relatives living in San Jose.

I appeal to the 100-year-old Costa Rican tradition of granting political asylum contained in the political Constitution of the country. Thanks to this tradition, Costa Rica has been a haven of people who have been politically persecuted owing to the situation in their own countries. I also appeal in the name of the Costa Rican citizenship I once had and honored. I have fought only for the sake of freedom and democracy, concepts which have made Costa Rica an example to the world.

Certain of the generosity of the Costa Rican people and government, I submit my formal request as I set foot on Costa Rican territory to the official who is welcoming me as a sign of my respect and adherence to the laws of the nation. I do not preclude personally reiterating and ratifying this request to the minister to whom it is respectfully made.

With my highest consideration and respect.

Eden Pastora Gomez

C.A. NEIGHBORS REQUEST DEBT RENEGOTIATIONS

PA221503 San Jose Radio Impacto in Spanish 1830 GMT 21 May 86

[Text] Honduras has updated its $30 million debt with Costa Rica. Guatemala has asked for an extension, to end on 15 June, in order to negotiate its debt. The settlement with Honduras was effected in an operation through the Central American Bank of Economic Integration, according to Eduardo Lizano, executive president of the Central Bank, who disclosed the information some days ago. Guatemalan economic authorities have asked Lizano for a 30-day extension ending 15 June to negotiate the country's debt with Costa Rica. Guatemala is about to complete an economic stablization plan. When this plan is completed, the authorities will be able to establish the basis for an arrangement with Costa Rica.

Nicaragua owes $200 million to Costa Rica and it is impossible for Nicaragua to pay its debt with Costa Rica on a short- or a long-term basis. Last year an arrangement with the Nicaraguan authorities was necessary to prevent the debt from increasing through the payment of interest and other mechanisms. The new Costa Rican economic authorities are currently considering the problem of trying to collect this important debt as soon as possible, particularly now that the country requires this money from the communists.

GUATEMALA

PART 1 OF CEREZO INTERVIEW WITH EXCELSIOR

PA210115 Mexico City EXCELSIOR in Spanish 16 May 86 pp 1a, 10a, 11a

[First part of interview with President Vinicio Cerezo by Regino Diaz Redondo in Guatemala City on 15 May]

[Excerpt] Guatemala City, 15 May

[Diaz] What is the meaning of the Esquipulas summit, what is its origin, how did you come up with it, and what will you propose at it?

[Cerezo] The meeting of presidents has two key objectives: One, to establish a forum of permanent discussion among Central American presidents. This is basic and necessary. Following the Contadora example, we realize that it is necessary that Latin Americans, as well as Central Americans, particularly in our region, become the makers of our own history. In other words, we must become the main actors in the events that will affect us. Therefore, Esquipulas is in a way, a step forward in this effort and in the example provided by Contadora.

Second, this meeting is intended to create, for Central Americans in particular, an institution that will strengthen the ties of political unity. It is a step, never before taken, to resolve some of the old and new problems that have emerged in the attempts to unite Central America. An old problem was the lack of participation by the people in the decisions and discussions for Central American integration and the solution of Central American problems. Now, with the Central American parliament, because it would be a means for the direct election of deputies, the people would be choosing their representatives in order to participate, either as a majority or a minority. A new problem would be the possibility of discussing and establishing a forum of permanent discussion, not only of economic, social, or cultural problems, but of basic political problems, even those of security through the parliament and the creation of a council of presidents within the parliament which would be in charge of vetoing or approving decisions adopted by the president, just as the chamber of representatives and the executive branch operate in any given place.

If we are able to take that step, we would first be contributing to democracy, and thus to the resolution of internal problems in each country in a peaceful manner; we would be contributing to Central American integration, and thus to the political maturity of the area; and finally, we would be finding an instrument that would probably serve to solve certain problems that could lead us to a polarization, a confrontation and a war. And this without the intervention of the big empires, which could lead us into the East-West conflict, which may result in the generalization of the problems in Central America.

[Diaz] Are you convinced that there is an incongruency in the two empires, Mr President?

[Cerezo] The two empires are interfering in the Central American conflicts and in every conflict throughout the world. This is natural. In other words, the world has been evolving amid the competition of sectors of influence, or power, and I think that we must try to struggle because, although we cannot leave the world or avoid the consequences of having two big powers of this kind, we must maintain the highest degree of autonomy and independence possible in the solution of our problems.

[Diaz] How did you pick Esquipulas? Why Esquipulas and not some other city?

[Cerezo] Esquipulas has significance. It already has a historic background. One of the principal meetings to end the Honduras-El Salvador conflict was held there. It was held there for the same reason we choose Esquipulas now: because it is a center of Central American faith. The centers of faith do not necessarily have to be important for religion. They are places where people feel inspired and moved to do things that do not seem to be ordinary. They are moved to have faith in the future. In other words, it also is a center of inspiration for Guatemala. It has traditionally been a center of inspiration and it is located at a point where three borders meet. This allows us to make another truly interesting opportunity to solve international conflicts. It is what we refer to as "El Trifinio." On these three borders we intend to propose the creation of an area with joint sovereignty as a first step toward the solution of border conflicts. It could be a formula that Nicaragua, El Salvador, and Costa Rica can use later in the Gulf of Fonseca, and we would apply it in Central America when we have become used to sharing sovereignty and authority.

[Diaz] Pragmatically speaking, Mr President, what solution do you see for the Central American problem?

[Cerezo] It is a problem of attrition. All the countries, including Nicaragua, obviously, are suffering a certain amount of attrition. I would say that in this case the country with the least amount is Guatemala, less than Mexico even.

[Diaz] Mr President, what will happen in Esquipulas? What will you propose there, specifically?

[Cerezo] It is a very serious situation; that is, look, we are going to meet there, five presidents, alone, at a time when we can truly discuss issues openly and frankly. Even more so, I would say that we must discuss matters harshly. None of the Central American presidents can talk of having just their own destiny without somehow affecting the other countries of the area. This is the first thing we will insist on at Esquipulas. This means that somehow, all the countries are linked to one another. Whatever occurs in Nicaragua or in El Salvador will affect the others in one way or another. Secondly, we must try to analyze the political process. We must rationalize it in the sense that we must reduce the passion injected into it. We must try to introduce certain reasonable elements in this analysis in order to reach agreements that perhaps will not solve all the problems, because the parliament even, stems from the premise that the solution to all political problems are processes and not accomplished deeds.

Then we could take a step and establish certain agreements that would allow us to at least affect each other less in many ways, and one of these ways would be not to continue with the arms buildup because if Nicaragua continues with an arms buildup, with the excuse of defending itself from the United States or anyone else, it is going to force Central American armies to buy more weapons to try and catch up with it and this produces two effects for Central America.

The first effect is for us to become dependent on a foreign power; Nicaragua is going to depend on Russia and we will depend on the United States or another country. The second effect is that we are going to devote more and more resources to the arms buildup and fewer resources on development. This is then a challenge to the commitment that we have made toward development. This is only to cite one example.

[Diaz] Mr President, is there any other solution?

[Cerezo] Training persons to attack from one country to another. [Sentence as published] We have to strive to create the conditions in El Salvador, Nicaragua, or in any of our countries, to foster political, internal, and opening processes, instead of clashes and polarization processes. And that is vital. For example, the Central American parliament will not be able to function if Nicaragua does not allow its political opposition parties to operate absolutely free, instead of using the pretext of the contras. Although this is a good pretext, it is just that: a pretext. We have guerrillas in the north, and yet we are not persecuting the Guatemalan opposition political parties because of this. Moreover, at present when we are trying to obtain approval of economic laws we could have a pretext to impose an emergency law and control newspapers. We could say that since the guerrillas staged an attack, we will not allow freedom.

[Diaz] But, isn't there a big difference between the fact that there are small outbursts of violence, or guerrilla activities, in countries that are not part of Central America and being supported by a foreign power?

[Cerezo] Definitely, it would be. There is always a small sector somewhere. But clearly, the situation is more serious there because one sector is receiving direct aid. However, what would happen? Let us put ourselves on the other side because we have always seen the contras' side. So now, let us put ourselves on the side asking for the political process in Nicaragua to be opened, for the parties not involved in violent actions to start to participate. Then, as the political process is increasingly opened, as was the case here in Guatemala, the violent actions by armed groups would be less and less justifiable. In this respect, simultaneousness plays a very important role. Those are the details we must discuss with total frankness.

In any case, I will tell you something I always wished someone would ask me: In Guatemala, nonviolent solutions, let alone peaceful solutions, did not exist. Solutions in Guatemala have never been completely peaceful. However, a nonviolent solution is much less costly than any successful violent solution.

[Diaz] I do not want to insist, but since this is the topic at issue, Mr President, do you not think there is a great deal of pressure on Nicaragua?

[Cerezo] Yes, indeed, Nicaragua is under a great deal of pressure. I have wanted to talk about this because that is an internal problem of the United States, which they [not further identified] must settle and discuss at length. The truth is that two things have been made clear: the decision of some [U.S.] Democrats and Republicans to discuss this matter. This is very important. However, I do feel that there has been a lot of pressure. For that reason we have stated that when the United States comes out in favor of democratic process it needs to stop stressing only the military question and pay more attention to the consolidation of democracies. Since the United States is debating the $100 million aid to the contras, it is appropriate that it debate the $200 million aid to democracy.

[Diaz] Is there democracy in Central America?

[Cerezo] The democratic processes are growing in strength. Democracy is the result of various internal processes that gradually lead to the establishment of a legal regime and of the mechanisms through which rights are exercised. These processes allow the people to organize; they bring about a balance within the people's power and the traditional forms of power.

[Diaz] Sir: allow me to ask how it is possible to have democracy in Central America, including Nicaragua, which is said to have the support of one of the two world powers. If this is indeed the case, if it has the arms, as Honduras does, as El Salvador evidently does, as the Nicaraguan and Salvadoran rebels do. This reads like a never-ending story. Going back to Esquipulas: In addition to the dialogue, what specific proposals do you intend to make? Is this a prelude to the signing of the peace document?

[Cerezo] That is correct. We want to focus on the benefits of political solutions and basically work on processes with specific timetables. That is one of the things we want to accomplish. In this context, I believe the president of Costa Rica accurately pointed out that the only problem with Contadora or any other process that may arise is the failure to establish timetables. Esquipulas will attempt to lay down a program with specific deadlines against which the success or failure of the political processes will be measured.

[Diaz] Then you intend to set forth a program...

[Cerezo] A plan for the establishment of the Parliament -- with specific months, conditions, and dates -- has already been proposed.

[Diaz] What about the signing of the document, Sir?

[Cerezo] That element must be added to the signing of the document. We will propose that in Esquipulas and at this meeting that will be proposed in Panama.

[Diaz] Do you believe the document will be signed despite the acute disagreements that plague the region?

[Cerezo] I will say this much: It will be a big political victory for Reagan if it is not signed. We must try to have it signed.

[Diaz] However, what if, as the president of El Salvador -- a responsible man whom we greatly respect because of his well-defined thought processes, whether or not we agree with him politically -- said: "Regardless of whether Nicaragua, Mexico, or the United States -- or even Venezuela -- decide not to sign, what use does the document have?

[Cerezo] From that standpoint, if all the parties do not sign the Contadora act and that process ends, then another one will begin.

[Diaz] Under Contadora?

[Cerezo] Call it Contadora II if you like. The flow of events never stops. If the Contadora document is not signed that will mark the beginning of the countdown to military confrontation in Central America. We will then have to fight time, because polarization will begin.

[Diaz] Mr President, I insist: Do you believe the Contadora document will be signed on 6 June?

[Cerezo] Yes.

[Diaz] What makes you believe this?

[Cerezo] I believe that it will be signed because everyone, including Nicaragua, is aware of the repercussions of it not being signed. In addition to this, the United States and Nicaragua, though from two extreme positions, fear that the document will not efficiently accomplish the goals each one has set out to achieve. However, if it is decided within those two extreme positions that the document can be efficient, then it will be signed. I do not know if it will be signed on 6 June. That can change, but I do believe every effort should be made on 6 June to set a final date for the signing.

[Diaz] You are right that the two positions are clear. On the one hand Nicaragua is saying: "No way that we will disarm," because then our house will be invaded and torn apart, while the United States is saying: "I will not sign until you disarm." How can these two positions be reconciled, sir?

[Cerezo] There is always a middle and that is what we are working to find. We will try to find it at Esquipulas.

[Diaz] What middle, sir?

[Cerezo] We will see.

[Diaz] What will happen if all of the Central American countries except Nicaragua sign the document? Isn't this a possibility?

[Cerezo] That will be a serious problem, and Nicaragua must be aware of this. The problem will cease to be the document, Contadora, or Contadora II. The problem will be that if Nicaragua refuses to sign any agreement to remain part of Central America it will be isolated and that will create internal problems, that hold no relation to the intervention of the United States. It will be isolated economically, socially, and politically, and could only resist for a given amount of time, even with regular and uninterrupted aid from a world power. How far is the Soviet Union willing to go with Nicaragua?

[Diaz] How far do you believe?

[Cerezo] I do not know. The cost is too high.

[Diaz] The Costa Rican president, when you were there at his inauguration, said that there is nothing more to say, that a big power is involved in the problem and that the Soviet Union is involved, too. Then, he is admitting that the Soviet Union is aiding Nicaragua. Do you agree with this theory?

[Cerezo] The AK-47's are a fact in the Soviet Union. Many of them are used here. The T-54 tanks and the helicopters that Nicaragua uses, that is, I believe that there are certain things in politics that it is better to act as if they are not happening. [sentence as published] This is one of the things we want to say in Esquipulas, and we must be sincere about the international situation. Well, [we may say] this is what is happening, this is what we have, this is what we will do, and let's not stop because if we continue as if things are happening, that is the problem. [sentence as published] There is some kind of a Soviet presence in Nicaragua. They admit it themselves. In other words, they have Soviet credits, oil shipments, weapons, technical advice, and the plane in which the vice president's 19 security agents flew in the other day was Soviet-made. They took pictures. Then, we cannot be fooled. In other words, it's as if we, the Guatemalan Army, said that it had no relations with Israel, even though it uses Galil rifles, and it will continue using them.

[Diaz] President Castro told me that it was very difficult to believe that the Soviet Union was interfering in this because of the distance. I don't know if they were political or journalistic phrases, but he told me that a year ago.

[Cerezo] I doubt it, too. Because, in addition, it involves economic, political, and strategic costs.

[Diaz] Do you think that Nicaragua would have the capability to create an insurrection at the regional level?

[Cerezo] The Nicaraguan case or Nicaragua in itself?

[Diaz] That the region itself would presnet the conditions for Nicaragua to generate a regional insurrection in the event the Contadora act were not signed?

[Cerezo] No. If Cuba interferred yes, but Nicaragua by itself would only be creating a wave of terrorism and an increase in military aid. But you realize that from a logistical point of view, the capacity that the guerrillas have to react at every level in the area to a U.S. direct intervention is almost impossible in the short term because,naturally, the vigilance over the area, the possibility of transferring weapons to increase an armed insurrection is very difficult. However, in addition to that, at that time, to begin an insurrection in Guatemala would be very difficult. Honestly, I am not saying this because I an the president. What can be carried out is terrorism, that is, bomb explosions, sabotage, which would affect us very much, right? But the people still have democratic expectations.

A long time would have to go by before the people would change their attitude. In Honduras I also doubt that they would have the capacity to react quickly to a guerrilla movement. They could also carry out sabotage acts and explosions. In Costa Rica they would also carry out sabotage and at the same time lose prestige. Terorism and sabotage is what is possible. Nicargua by itself would have the capacity to defend itself for a specific period but I don't believe that it would be a Grenada-style operation.

[Diaz] Mr President, I would like to tell you that if there are two very opposing views such as those of the United States and Nicaragua, tell me one of the points you have in mind, I only want you to tell me one. How are you going to tell the other four Central American presidents: "If we don't make progress in this, we don't sign?" What will you tell them?

[Cerezo] I am going to give you one: not disarmament, but a freeze on the arms buildup.

[Diaz] With supervision?

[Cerezo] Yes, of course, a no to the arms buildup.

[Diaz] Supervision from other countries?

[Cerezo] Of others, among all. [as published]

[Diaz] Among all?

[Cerezo] Or under a commission. There are some very neutral countries in the world: Canada and Australia, for example.

[Diaz] But, for example, how long will the United States take to pull its military forces out of Honduras? After the Contadora act is signed? Because if the document is signed here today they won't be out in 5 minutes?

[Cerezo] No, neither will the military advisers. But we can establish a gradual withdrawal process, a freeze after a withdrawal process. The biggest problem is the constant increase in weapons. Weapons go from one place to another until we reach a point in which we have a capacity for aggressiveness. In other words, with its helicopters Nicaragua now has the possibility of carrying out an attack on a border but not the possibility of invading a territory. But if it can find the technology for the Mig's, for example, things would become complicated for all. Things would get ruined for everybody.

[Diaz] Tell me, Mr President, do you think the Nicaraguan Government just has a Marxist tendency, or is it is Marxist government? How would you define the Nicaraguan Government?

[Cerezo] Look, I believe in what the Nicaraguan officials say. They define themselves as Marxists. They defined themselves as Marxists, but they asserted that they have a Latin American Marxism. I do not know if that is possible because it is an endless theoretical discussion. I prefer to believe in political processes because I have seen myself, a Christian Democrat, shift from my radical positions of 20 years ago, to much more pluralist and democratic tendencies later on. I remember how for 10 years we saw movies about the Berlin Wall, and today the Berlin Wall is a tourist site in West Germany. That is to say, the world changes. The problem is to change things in situations that have no apparent solution or way out. Whether or not Nicaragua is a Marxist country is irrelevant. If the present regime fails to become more politically flexible, sooner or later, it will be replaced by another one more or less radical.

[Diaz] Can we coexist with the current regime?

[Cerezo] If that regime does not attack other countries, if it develops a process of political flexibility, and if it does not meddle in other countries' affairs, of course we can coexist with it.

[Diaz] Mr. President, will an attempt be made at Esquipulas to influence the United States regarding its policy in Nicaragua and Central America?

[Cerezo] I think that we will have to issue a very balanced declaration, that is to say, a declaration that favors neither Nicaragua nor the United States, but one that promotes the things we want to happen in Central America. We want to achieve economic and social development. We want to stop spending money on weapons. War was shown to be a dead-end street in Central America. That is what I have called it, and now I found out that President Alfonsin also used that phrase, which I have been using for years, without knowing who used it for the first time, although that is of little importance. It is an alignment process, and there comes a time in the conflict when the ones involved in it no longer know what they are fighting for. It is now a matter of pride. In conversation a friend from the Salvadoran FMLN told me: "Do you realize that at this point in the struggle to stop the fight would be a disgrace; it would be like showing that we were wrong?" I told him: Why was it right to fight before and not now? I am not saying that that is a leitmotif, but there comes a point during a war when the situation becomes unbalanced, and the people no longer know why they are fighting. At that point the war is no longer a solution.

As Clausewitz said, and I believe that he is still correct, war is the continuation of politics by other means, but when those other means become senseless, they must be stopped because the basic thing is politics.

[Diaz] Do you think that the U.S. approval of the Contadora document is an essential requirement for its signing and for the establishment of talks between Managua and Washington?

[Cerezo] No. It is important, but not essential because that would mean to be tied down to the longstanding problem of the egg and the chicken. It is just as bad to start from the promise that the United States should be completely excluded from this matter, considering that it is located right here... [changes thought] As Porfirio Diaz used to say, we are "so far from God, and so close to the United States." It is just as bad not to want the United States involved in anything as it is to want it to meddle in everything. I believe that the United States should be asked to recognize the authority of the document. If the Latin American peoples agree on something, the Unites States should accept the consequences of those agreements.

[Diaz] Would the United States be asked to recognize the Nicaraguan Government?

[Cerezo] To recognize the Nicaraguan people's authority, yes, because the political process will be inaugurated in the Contadora Document. The United States should say: Well, if the political process is open, let the Nicaraguan people choose

[Diaz] Do you think that in the future -- this is a leading question -- the Central American presidents' meetings could naturally replace Contadora? Let us say that I was a Yugoslav or a Czechoslovak, could I not become an arbiter in a Mongolian problem?

[Cerezo] The presidential summit -- or perhaps more properly, a Central American parliament -- can be a followup to the work done by Contadora. Contadora had one great feature: It was Latin America involved with the Latin American peoples. Contadora showed us that there are possibilities for us to sit down and discuss our own problems.

CEREZO ON BORDER SKIRMISH, PANAMA'S SUMMIT ROLE

PA240007 Guatemala City EL GRAFICO in Spanish 22 May 86 p 2

[Text] Guatemala City, 22 May -- In commenting on an armed attack against a Guatemalan Army detachment near the border with El Salvador, 50 km from Esquipulas, Guatemalan President Vinicio Cerezo Arevalo told a group of journalists: "A guerrilla action against the presidents attending the Esquipulas meeting and against the meeting itself would prove that the guerrilla movement wants to hinder the efforts to achieve peace in the region."

President Cerezo added: The attack was most likely just a nuisance action because the guerrilla movement wishes to make its presence felt in a meeting as important as the Esquipulas one, but it is only an act of provocation. Nothing serious happened. We have communicated with Salvadoran authorities and asked them to send reinforcements to that area because it seems that the attack against the detachment was launched from El Salvador. Finally, President Cerezo said that he does not think there will be any problem in Guatemala regarding the security for the Central American presidents.

Regarding the absence of the Panamanian president from the Central American presidential summit, President Cerezo said that Panama was invited to the meeting as an observer, but a reasonable excuse had been sent, namely that the Panamanian president has important duties to take care of during those days. Initially, Panama had accepted the invitation because the meeting had been planned for Friday and Saturday, but since it was later postponed until Saturday and Sunday, Panama could not attend because of important matters that have to be attended to Panama, Cerezo said.

Esquipulas is the center of attention because of the changes made by the organizers of the presidential summit: the presidents' return to their respective countries was moved up by a day; individual protocol was eliminated and replaced by collective protocol with the presence of each president; and the possibility of a news conference at the end of the meeting on Sunday is still under discussion.

ARMY 'GUARANTEES' OIL PROJECTS IN EL PETEN

PA220416 Guatemala City PRENSA LIBRE in Spanish 21 May 86 p 4

[Text] The Guatemalan Army can guarantee oil activities in El Peten in the face of actions staged by subversive organizations, a bulletin issued by the Army information office states. The communique says that Guatemala's economic activities, including the oil industry, are sometimes the target of sporadic attacks by terrorist bands that roam in the dark to destroy and paralyze all enterprises that strive to improve the levels of development and progress.

It adds that these bands do not care about the damage their antipatriotic actions cause, by obstructing the country's economic reactivation and directly harming the interests of the working people who support families on the income obtained through production. The Army reiterates its determination to protect honest citizens and those investors who work to improve Guatemala's future.

## HONDURAS

OFFICER ON REVISION OF AID TREATY WITH U.S.

PA221428 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 21 May 86

[Report on interview with Colonel Leonel Gutierrez Minera by Jose Domingo Flores; no place or date given -- recorded]

[Text] Colonel Leonel Gutierrez Minera yesterday visited the Foreign Ministry and reports on what he discussed with the authorities.

[Begin recording] [Gutierrez] We met with a commission to discuss the revision of the bilateral military assistance treaty between Honduras and the United States.

[Flores] How are the negotiations coming along?

[Gutierrez] We have been putting the finishing touches on the 1954 treaty, we are updating it and making it more dynamic in order to attain fair and dignified treatment for our country as far as our military relations with the United States are concerned.

[Flores] When will the document be ready to be presented to the national Congress for analysis?

[Gutierrez] I believe that once the commission travels to Washington and the draft of the document is reviewed, the Honduran president will have the document at his disposal so that he can make the necessary agreements at this level in Washington, and the document can be signed and ratified by the Honduran Congress.

[Flores] Colonel, have many changes been made in the 1954 agreement?

[Gutierrez] In general terms the entire document is being updated to favor Honduras' positions, because Honduras is the one that needs assistance and economic support.

[Flores] Does the treaty also consider reinforcing or aiding the public security forces?

[Gutierrez] Yes, a package is being considered for another document. At present we are dealing exclusively with the revision of the bilateral treaty of reciprocal assistance between the United States and Honduras.

[Flores] What is this reciprocal assistance? What does Honduras give the United States?

[Gutierrez] Honduras has been inspired by the TIAR [Inter-American Reciprocal Treaty]. I will briefly recount the history of the assistance. In 1954 a bilateral treaty was signed. In general terms we received the benefits of support and technological assistance to create a defense system within the Armed Forces and throughout Honduran territory. In this sense we are taking advantage of U.S. technology and support.

[Flores] Colonel, is the Honduran Army concerned over Nicaragua's refusal to sign the Contadora document since four countries -- Costa Rica, Guatemala, El Salvador, and Honduras -- have agreed to it and only Nicaragua has not?

[Gutierrez] I do not want to make a statement on this subject because many variables must still be confirmed at the meeting in Guatemala. At this meeting we will establish the policies that must be implemented prior to the signing of the document on 6 June.

[Flores] Do you believe the Condeca [Central American Defense Council] will re-emerge?

[Gutierrez] That has not been considered in this revision, but the Condeca system has not disappeared. It still has potential.

[Flores] What could you report on the Condeca?

[Gutierrez] This commission has not discussed that system. It will be discussed by other commissions, but I am not aware of its being revised.

[Flores] The Nicaraguan issue worries us all a great deal, and I believe the military should also be concerned. How much of a danger is Nicaragua for Central America?

[Gutierrez] Antagonism to this is our ideological position. On one hand we have the democratic system and on the other we have the totalitarian system. That would be a threat in any part of the world, be it China, India, Pakistan, or any other country. With Nicaragua's failure to share the democratic ideas we have had for many years, and its opposing system, we do not necessarily speak the same language. This is worrisome, especially since it is known that Nicaragua's defensive system does not necessarily come under [words indistinct] defensive position. We are concerned over the quantity of weapons that are for the most part geared toward the offensive. This causes concern here as it would anywhere.

[Flores] Do you, the military, fear a war in Central America?

[Gutierrez] I repeat, that is a political situation [words indistinct] Washington, and I do not care to make any comments on the subject because I am not well-informed. [end recording]

## NICARAGUA

### GOVERNMENT PROTESTS EXPULSION OF OFFICIALS

PA230350 Managua Domestic Service in Spanish 0300 GMT 23 May 86

[Protest note issued by the Foreign Ministry, addressed to the U.S. Embassy in Managua; dated 22 May -- read by announcer]

[Text] The Foreign Ministry courteously greets the honorable U.S. Embassy and at the same time refers to the request presented by U.S. State Department officials before our embassy in Washington on 16 May 1986 regarding the withdrawal, within a week, of Nicaraguan officials William Vigil and Miriam Hooker.

The U.S. officials said that this measure was adopted because the Nicaraguan Government had effectively restricted the work of two U.S. Embassy officials in Managua who were involved in espionage activities. These two officials also attempted to recruit Interior Ministry officials for the U.S. Central Intelligence Agency. The expulsion of the two Nicaraguan officials represents a far-reaching maneuver aimed at seriously weakening our diplomatic representation in Washington because the spouses of the officials selected for expulsion also work at our embassy.

Likewise, the U.S. officials informed us that in reciprocity for the Nicaraguan protest note for the illegal presence of two U.S. officials in a war zone in the area of Siuna, all trips taken by staff members of the Nicaraguan consulates in Washington, San Francisco, and Los Angeles, will have to be authorized by the State Department.

The Nicaraguan Government presents its most formal and strong protest in view of this unfair and arbitrary measure that bears no relation to Nicaragua's fully justified attitude when it denounced the involvement of U.S. Embassy officials in acts of espionage and their unauthorized entry to restricted areas -- facts that violate the Vienna convention on diplomatic relations and Nicaraguan domestic laws. Therefore, the decision adopted by the U.S. Government cannot be described as reciprocal because the Nicaraguan position is based on the fact that illegal activities were carried out by the U.S. officials, while the U.S. State Department decision has no legal basis.

William Vigil and Miriam Hooker, the two Nicaraguan diplomats, exhibited the proper conduct at all times, strictly abiding by the norms established in the Vienna convention on diplomatic relations, and always respected the laws of the host country, unlike the U.S. diplomats in Managua. Facts, such as the above-mentioned, prove the U.S. Government's lack of interest in finding paths of understanding, and further hinder the relations between the two states. Likewise, these arbitrary measures are the result of the U.S. Government's lack of political willingness to establish an open and respectuful dialogue with the Nicaraguan Government which would permit the establishment of the basis for normal relations between the two states.

The Foreign Ministry reiterates, before the honorable U.S. Embassy, the assurances of our esteem.

Managua, 22 May 1986

ORTEGA ON U.S. MANEUVERS, EXPULSION OF OFFICIALS

PA230258 Managua International Service in Spanish 2214 GMT 22 May 86

[Closing statement made by President Daniel Ortega during "Face the People" program held with cotton growers in Leon on 22 May -- recorded]

[Excerpts] We have met here with workers from the countryside, producers, technicians, government employees, and government officials. We have met here to talk about the cotton harvest. We have here several producers. We have a sizeable group of producers here.

While we are here talking about the cotton production; while we are talking about the need to coordinate our efforts even better to produce more for the peasants' and the workers' power for the revolution; while we are here, listening to your worries and plans to increase production and productivity, the U.S. Government continues to threaten our country. The U.S. Government is carrying out military maneuvers in Honduras, and using new weapons systems in those military maneuvers being carried out in Honduras. The U.S. Government is discussing new formulas to destroy the Nicaraguan revolution.

We have also learned about the document which was mentioned by the companero -- the U.S. Pentagon document in which the U.S. military officers in the Pentagon, in other words, the U.S. Army, come to the conlusion that if Nicaragua signs the Contadora Group peace document, then the United States will have to intervene militarily in Nicaragua. They talk about intervening with 100,000 soldiers and establishing bases in Honduras and Costa Rica to guarantee the actions against the Nicaraguan revolution.

Likewise, two officials in the Nicaraguan Embassy in Washington were expelled from the United States. This was revealed today by the U.S. news media. Hence, the U.S. Government has stepped up its actions to destroy any possibility of achieving a peaceful agreement as a result of the efforts exerted by Latin America through the so-called Contadora Group and the Support Group. We have been discussing some proposals in Panama and Nicaragua has presented specific proposals to achieve peace. In other words, while the U.S. Government is increasing its warmongering actions and threats against Nicaragua, we are exerting ourselves to achieve peace. While the United States Government continues to carry out military maneuvers in Honduras and includes new weapons systems in those military maneuvers, Nicaragua continues to work for the achievement of peace.

We are willing to go and talk with the Central American presidents in Esquipulas in the next few days. We have every intention of participating in the dialogue, even though Honduras is being used as a base to carry out aggressions against Nicaragua. Likewise, while the U.S. Government talks about invading Nicaragua with 100,000 U.S. soldiers, it asks Nicaragua to disarm itself. That is the condition demanded by the U.S. Government: Nicaragua should disarm itself before accepting peace with Nicaragua. In other words, peace with a disarmed nation which will be annihilated immediately after it is disarmed.

This is a trap laid by the U.S. Government, which says that the Nicaraguan people should disarm themselves and then it will annihilate them. It wants to do to the Nicaraguan people the same thing it did to Sandino. It called him to negotiate peace, it asked him to disarm himself, and what happened to Sandino afterwards?

Of course, we will not accept the people's disarmament, and we have presented specific proposals in which we stated that it is necessary to achieve agreements concerning what may be termed as offensive weapons. We can reach an agreement concerning offensive weapons. We can negotiate this, we can limit those weapons. We can reduce the weapons which are described as offensive weapons. However, we will not negotiate the defensive weapons. We will not negotiate these weapons. These weapons cannot be negotiated.

Nicaragua's position is much stronger nowadays, when the United States is again talking about invading Nicaragua and it has all the plans to invade our country. However, the Yankees' threats and aggressions will not undermine or disarm the Nicaraguan people's capacity to work, because we have always said that production is also a defense of the revolution. We defend the revolution with rifles and we also defend it with production. By being here and talking about a specific problem like the cotton production, we are attending to a strategic area in the defense of our revolution. Consequently, what does having a successful cotton harvest mean? [repeats himself] It means winning another battle against the Yankee aggressor. It means winning another battle against the United States' terrorist policy. Thus, we must seek better conditions, from the material standpoint, for the Nicaraguan people, because our efforts will be successful and we will fulfill our goals in the measure that the people live under better conditions. The workers who participate in the cotton growing activities, sowing and harvesting the cotton, will live in better conditions.

We feel that great efforts have been exerted to make your contributions, and we feel that many contributions have been made. We also consider that we will emerge victorious, defeating the aggressor in the military sector and the production sector. Free fatherland [crowd shouts: "Or death!"]

COMMUNIQUE ISSUED ON PENTAGON DOCUMENT

PA222348 Managua BARRICADA in Spanish 22 May 86 p 4-b

[Communique issued by the Foreign Ministry on 21 May]

[Text] The Foreign Ministry addresses the Nicaraguan people and the international community to inform them of the following:

The document drafted by the Pentagon and published in yesterday's edition of THE NEW YORK TIMES has received extensive coverage at the international level.

The document openly states that the signing of the Contadora Document for Peace and Cooperation in Central America could lead the United States to a massive military intervention against Nicaragua in the form of the development of more than 100,000 U.S. soldiers in Central America and the reinforcement of the military facilities that the United States has in Honduras and Costa Rica.

Said document also expresses an objection to the U.S. Governmente committing itself to the Contadora document after it is signed, and demands, in open interference in Nicaraguan domestic affairs and in violation of the most basic principles of international law, the elimination of the Sandinist people's revolution through an alleged "democratiziation" that would translate as the surrender of power to the mercenary forces that the U.S. Government has created with the sole purpose of attacking Nicaragua and hindering Nicaragua's legitimate right to self-determination, independence, and peace.

The statements included in the Pentagon document clearly establish that there is no guarantee that the United States will stop its aggression against Nicaragua if it signs the Contadora document. In this respect, and in accordance with the statements being made by several U.S. Government officials, the commitmentes agreed upon will not prevent the U.S. Government from continuing its brutal aggression against the Nicaraguan people. Quite the contrary, the document clearly states that the signing of the document would not curb the U.S. policy of force, but that the signing of that document would lead the United States to unleash its interventionist plans. Within this context, the Pentagon document not only opposes the signing of the Contadora document, but also threatens an intervention in Central America should Nicaragua procede and sign the document.

These facts reassert the justness of the Nicaraguan positions which are included in the proposal that was presented in Panama during the last plenipotentiary representatives' meeting, which concluded barely 2 days ago. In its proposal, Nicaragua offered to negotiate the limits of weapons which are classified as offensive and emphasized the nonnegotiable character of defensive weapons, based on the conviction that the only guarantee we have to safeguard the Sandinist people's revolution is its armed people. Any attempt to deny the Nicaraguans the right to have the necessary defensive weapons to reject an aggression would be tantamount to condemning the survival of the revolution itself and depriving Nicaragua of its legitimate and inalienable right to self-defense.

Likewise, the statements included in the document represent further proof that the United States has never really and effectively supported the efforts exerted by the Contadora Group and the Support Group, openly opposing the Latin American positions in favor of a political and negotiated solution to prevailing conflicts.

Given these grave statements, which confirm the justness of the Nicarguan positions, the Nicaraguan Government reasserts its serious and responsible proposal which was presented to the Contadora Group and states its willingness to continue defending the sovereignty and independence of our homeland -- a guarantee which is necessary to safeguard the revolution's achievements.

Managua, 21 May, 1986

FDN: GERMANS TO BE RELEASED 'IN NEXT FEW DAYS'

PA221547 Tegucigalpa Televisora Hondurena in Spanish 0100 GMT 22 May 86

[Text] The FDN, an armed organization that fights against Sandinism reported this afternoon on the health of those whom it describes as the German internationalists it captured on Saturday. The FDN stated that the Soviet-made AK-47 rifles which it seized from the Germans had been used by them and that when they were questioned, they confessed that they were forced to use them by the Nicaraguan army.

It announced that in the next few days, it will proceed to turn over the German citizens once an agreement has been reached with the cooperation of humanitarian organizations and the involved governments.

Germans Protest at U.S. Embassy

PA230012 Paris AFP in Spanish 2102 GMT 22 May 86

[By Ernesto Ramirez]

[Text] Managua, 22 May (AFP) -- The Sandinist police today evicted a group of FRG volunteers who chained themselves to the main entrance of the U.S. Embassy in this capital. "We are desperate because the contras have not released our comrades," it was explained to the Sandinist police by the approximately 20 FRG volunteers, who were taken away from the U.S. diplomatic mission after they had chained themselves to the main gate this morning. The FRG citizens chained themselves to the U.S. Embassy gate, demanding the release of their fellow citizens who were captured by the anti-Sandinist rebels on Saturday. However, the Sandinist police cut the chains with pliers and screwdrivers.

One of the internationalists told AFP: "We will continue to stage demonstrations and protest" as long as the eight FRG volunteers who were kidnapped by the anti-Sandinists are not released. Approximately 70 FRG internationalists have been carrying out a series of actions demanding the release of this eight FRG volunteers since Sunday, when they took over the FRG Embassy for 36 hours.

In addition to this action, a group of U.S. residents are participating in a "vigil" in front of the U.S. Embassy. They have carried out this action on a weekly basis for the last 2 years to protest "the Reagan administration's policy against Nicaragua." Dozens of Sandinist policemen cordoned off the area in front of the U.S. Embassy in this capital and then moved the volunteers 50 meters from the main gate, where the other FRG internationalists were chanting slogans against the Reagan administration and FRG Government. No major incidents were reported, even though the Marines took out their weapons and pointed them at the demonstrators when the volunteers were advancing toward the main entrance of the U.S. Embassy.

Deputy Commander Roger Cabezas, assistant chief of the Sandinist police in Managua, told AFP that the police "will guarantee the security of all the embassies in Managua, as stated in international agreements." The police have redoubled vigilance around the FRG Embassy since yesterday, and have closed off the main street which passes in front of the diplomatic mission.

GOVERNMENT PROTESTS SOUTH AFRICAN ATTACKS

PA230410 Managua Domestic Service in Spanish 0300 GMT 23 May 86

[Official statement issued by the government in Managua, on 22 May]

[Text] Upon learning with grief and indignation about events in southern Africa where victims and material damage have been reported of terrorist actions and attacks by South Africa's racist regime on 20 May against the capitals by Botswana, Zambia, and Zimbabwe, the Nicaraguan people and government vigorously condemn these new terrorist actions that constitute an escalation of the aggression that the front line countries are suffering and an open violation of international law, the UN Charter, the principles and objectives of the Nonaligned Movement countries, and the Organization of African Unity.

These actions represent a serious threat to international peace and security, form part of the state terrorism that the Pretoria racist regime practices systematically, encouraged by the policy of constructive engagement of the current U.S. Government against the Front Line countries. Such actions again demonstrate the urgent need to take specific measures to eliminate South Africa's racist regime. While expressing its solidarity with the peoples of Botswana, Zambia, and Zimbabwe, the Nicaraguan people and government make an appeal to the international community to adopt the necessary measures against the Pretoria regime in order to attain peace and security in southern Africa.

Managua, 22 May 1986

ARDE, UNO, FARN CREATE SOUTHERN FRONT

PA221400 San Jose LA PRENSA LIBRE in Spanish 13 May 86 p 3

[Text] The Nicaraguans who are in exile decided to join and create the southern front to fight the Sandinist regime. The ARDE, UNO [Nicaraguan Opposition Unity], and FARN [Revolutionary Armed Forces of Nicaragua] militants have joined the movement.

We have received the following statement which has been signed by the commanders of the various factions:

Considering that:

1. To defeat the forces of international communism who currently occupy our homeland, the unity of all the Nicaraguans who are struggling to democratize Nicaragua is essential.

2. Divisions only harm Nicaragua and its people, who have struggled for over a century to achieve their freedom, today violated by the Marxist international dictatorship.

3. Currently, the option to unite all the fighting forces and guarantee their success is found in UNO.

Therefore, in a free and democratic manner, we have agreed to:

1. Recognize the UNO as the feasible organization for the freedom of Nicaragua and accept, without renouncing ARDE's basic principles, its objectives and postulates.

2. Unite all ARDE, UNO, and FARN forces under UNO coordination to create the southern front that will operate under a joint command.

3. Appoint and recognize Commander "El Negro" Chamorro as the southern front's military chief and "Leonel" as his second in command.

4. Struggle, unfaltering and united, until we achieve for Nicaragua faithful respect of human rights, total freedom, and a just, pluralist, and truly independent democracy.

RECENT CONTADORA MEETING, PROPOSAL VIEWED

PA221851 Managua BARRICADA in Spanish 21 May 86 p 4

[Excerpts] The meeting of Central American plenipotentiaries and the Contadora Group held in Panama from 16 to 18 May presented many new situations: the dubious performance of the Guatemalan delegation, the Costa Rican proposal calling for international military maneuvers in the region, the sudden turnabout of the Central American delegations following the announcement of the Nicaraguan proposal, and "the best" yet: the telling of "a dream of a Pentagon general."

This is how the Honduran proposal to set a deadline and give form and solemnity to the much-desired disarmament by the Sandinist people's revolution has been called. The Panama meeting was very important for Nicaragua. The climax of the negotiations had arrived, and the agenda reflected this by calling for commitments on security matters (a commitment on military maneuvers and on arms). Until that moment the advance had taken place on negotiations regarding domestic policy aspects of the countries and the promotion of social and economic development. Three years have gone by durng which a constant has remained: the U.S. aggression.

It may appear curious, but for the past 3 years the attacked country has been at the negotiating table with the allies of the aggressor, which has abandoned all negotiations to openly dedicate itself to illegal aggression against Nicaragua.

Because of this, the meeting of this past weekend had aroused expectations among all delegations. The so-called "Tegucigalpa bloc" did what it has been doing for years: It met in San Jose to prepare a strategy.

Most of its members thought that the Nicaraguan delegation would not be interested, that it would be "with its back against the wall," and that it would arrive at the meeting with empty hands.

Others, more "thoughtful," decided to prepare themselves just in case this was not the case.

Until that moment, the issue was the 6 June meeting and whether or not Nicaragua would sing the peace act.

The 16 May meeting was scheduled to begin at 0900. Part of the Nicaraguan delegation arrived the night before, and Sandinist negotiator Victor Hugo Tinoco arrived at 0600.

Tinoco spoke to the foreign news media at 0845. He told reporters at the Hilton Hotel that he was bringing a proposal that he hoped "would serve to add dynamism and speed" to the discussions.

At 0900, Panamanian Deputy Foreign Minister Jose Maria Cabrera told the media that the installation of the meeting would have to be delayed because the Honduran delegation had advised that it would arrive at noon.

Until that moment neither the Salvadoran nor the Guatemalan delegations had been seen by the reporters. From 0900 to 1500, the reporters passed around all sorts of rumors: that the meeting would be suspended, that it would be postponed, that a delegate from the Support Group was expected, that Contadora had decided to suspend the discussions until after the signing of the act as it stands on the security aspect.

Most observers believed that the Honduran delay meant that it had been decided to implement the plan approved in San Jose since Nicaragua had announced that it would present a proposal at the meeting.

The Honduran delegation headed by Jorge Ramon Hernandez arrived discreetly and stayed away from the public eye. It became a source of interest only when Tinoco announced that it had come up with another proposal. The meeting began at 1600 hours and only lasted a couple of hours.

The international journalists who covered the meeting have said that Nicaragua's proposal was serious and reasonable. The outcome of the Panama meeting showed: 1) that the Sandinist revolution is not an intransigent obstacle as some have tried to establish; 2) that the proposal represented a real interest in making the discussions more dynamic; and 3) that now the question is not whether or not Nicarauga will sign the act but who else would sign it.

The initial moments of the meeting were very tense, full of distrust by the delegations. A commentary at the end of the meeting told me that things did not go too well for the United States and its allies at the Panama meeting. A correspondent for an international news agency who covered the meeting expressed her concern over an "invitation" that a member of the Costa Rican delegation made to her.

The Costa Rican official asked her to fly with him becase he wanted to discuss work matters. The young journalist said that the invitation was probably due to the fact that in her reports she has objectively noted that Nicaragua's proposals were serious and reasonable, among other things. Other correspondents have said that the Honduran proposal is "completely absurd" and "some sort of puzzle."

The Honduran proposal defends carrying out international military maneuvers in the region. Contadora has proposed regulating them and Nicaragua has called for banning them. The Honduran proposal calls for a complicated system for the control of troops and arms in the region.

What would happen in Nicaragua if the United States decides to invade? It is the United States who has said that it will not respect any Contadora act. Who is really threatening Nicaragua? Do you really believe that Nicaragua represents a threat to its neighbors? Then, what is the objective in the "dream of a Pentagon general?" What role has Honduras played in presenting such a proposal? What policy, alliance, or intention is it serving?

But things did not stop there. As soon as Honduras presented its "proposal" everybody at the Panama meeting set upon it. Nicaragua was the first one to call it absurd, and this is what the members of the Contadora Group also said. That proposal was simply unacceptable.

That proposal was in strong contrast with the Nicaraguan proposal. Then there came the "conciliators."

In 1984 Guatemala first made evident that there was a distance between it and the so-called "Tegucigalpa bloc," Since then it has maintained an "active neutrality" policy meaning that it will not get involved in the Central American conflict but that it will support any negotiated solution for the region.

Referring to this conception, the delegates of those countries [Guatemala and Costa Rica] proposed -- on the very day that the work session of the plenipotentiaries was being installed -- a conciliation formula.

But the truth is that there was nothing that had to be conciliated there. First, because Hoduras' proposal was being supported by Honduras only, and second because it had been practically rejected by everybody. On the other hand, the Nicaraguan proposal, in addition to having been well received, even by the Honduran delegate -- even if only for the first day -- was the heart of the meeting, the basis for the discussions.

The second part of the plan, however, was set in motion, to try, this time, to turn the situation around, that is, to save Honduras from being isolated and to undermine the Nicaraguan proposal.

The next day, very early, the Costa Rican-Guatemalan proposal was presented. This proposal defends international maneuvers, rejects Nicaragua's proposal that they should be banned, and introduces regulations for international maneuvers establishing that:

When they take place 30 km away from another state, that state and the Verification and Control Commission must be notified.

The maneuvers will not involve more than 5,000 soldiers.

The foreign troops force will not be larger than that of host country's force.

The maximum artillery range cannot reach a neighboring state.

The maneuvers will have a 30-day duration limit, and the total duration will not be over 60 days in a year.

The conciliation proposal takes on the spirit of the Honduran proposal on arms and rejects the idea of establishing a distinction between offensive and defensive arms in the region.

Although the security-for-all concept proposed by Nicaragua was initially accepted by all, it was not included in the "conciliation" proposal. The new proposal called for the completion of the disarmament process in 3 months. The conciliation proposal was initially rejected by El Salvador and Honduras. Nicaragua made substantive observations.

When the risk that the maneuver could be defeated appeared, Honduras and El Salvador made a 180-degree turn and, alluding to "for the sake of the negotiations" and to "it is necessary to yield with a spirit of flexibility in order to advance," etc, arguments, they backed the proposal, which then lost its "conciliatory" nature to become a "formal" proposal.

The grouping then became four to one. On one side appeared "inflexible" Nicaragua, alone; and on the other the bloc of four countries with the dream of the Pentagon general, exhibiting much "flexibility." The trap was in motion, but everybody knew how it was coming. No one was being fooled. Tomorrow, Tinoco will analyze the background of the situation and will announce Nicaragua's next move.

FSLN CLAIMS OFFICIAL KIDNAPPED IN MEXICO

PA220405 Managua International Service in Spanish 0000 GMT 22 May 86

[Text] Martin Madriz, a member of the FSLNs International Relations Department, was kidnapped by two unidentified men in the MExican city of Toluca, 70 km from Mexico City. Madriz, who traveled to Toluca to speak at the Revolutionary Workers Party headquarters, was intercepted on the outskirts of the city by three white vehicles with no license plates, and was accosted by several armed men. According to the sources who provided this information, the 24-year-old Nicaraguan was forced to get out of the vehicle he was traveling in and pushed into one of the kidnappers' vehicles and driven away. Madriz was with Jose Antonio (?Resortes Villa), a member of the PRT's board of directors, when the incident took place.

RODRIGUEZ MEETS WITH PERU'S FOREIGN MINISTER

FL221250 Havana Radio Progreso Network in Spanish 1100 GMT 22 May 86

[Text] Vice President Carlos Rafael Rodriguez has had an extensive dialogue in Lima with Peruvian Foreign Minister Allan Wagner with whom he discussed the Central American crisis, bilateral relations, and other topics. Rodriguez arrived in Peru on Wednesday afternoon for an official 24-hour visit which will conclude today. The Cuban leader will then travel to Uruguay.

Meets With Garcia

FL222126 Havana Radio Reloj Network in Spanish 2032 GMT 22 May 86

[Text] Vice President of the Councils of State and Ministers Carlos Rafael Rodriguez today transmitted to Peruvian President Alan Garcia friendly greetings from our Commander in Chief Fidel Castro.

After a working breakfast with the Peruvian president, which lasted 2 hours, Carlos Rafael Rodriguez expressed his satisfaction at the meeting, in which they exchanged impressions on Latin America. The vice president of the Councils of State and Ministers said that, in his meeting with Alan Garcia, the close relations between Cuba and Peru were also discussed.

As an example of these good bilateral relations, Carlos Rafael Rodriguez mentioned the presence in Peru of a large Cuban delegation headed by our minister of the fishing industry, Jorge Fernandez Cuervo.

RISQUET MEETS WITH GHANAIAN ASHANTI KING

FL221404 Havana Radio Progreso Network in Spanish 1100 GMT 22 May 86

[Text] Politburo member Jorge Risquet Valdes, member of the Communist Party of Cuba Secretariat, has met in Havana with the Ghanaian Ashanti King, who is on an official and friendly visit to Cuba at the invitation of the government.

Speaking to the distinguished visitor, Risquet reiterated the Cuban peoples' feelings of friendship and sympathy with their Ghanaian brothers and their solidary with the efforts of the National Defense Council to consolidate Ghana's independence and achieve economic and social development. The National Defense Council is presided cver by aviation Lieutenant John Jerry Rawlings.

COMMENTARY SEES NICARAGUA WILLING TO SIGN PEACE ACT

PA210430 Havana International Service in Spanish 2300 GMT 20 May 86

["Our America" commentary]

[Text] Last weekend in Panama City the Sandinist government presented a new constructive proposal aimed at adding to the peace efforts in Central America. However, the Sandinist government reiterated that the signing of the final Contadora agreement must come after the U.S. aggression against Nicaragua has definitively ended.

At the meeting between the Contadora technical group and the plenipotentiaries of the five Central American countries, Nicaraguan Foreign Minister Miguel D'Escoto reiterated the statements made by President Daniel Ortega to the effect that if the United States wants peace in the region it must truly give up the idea of making war against Nicaragua.

Foreign Minister D'Escoto referred to the new proposal made by the Nicaraguan Government regarding the two topics pending in the negotiating process, which consist of banning all military maneuvers in Central America and a moratorium on offensive weapons in the area. During a meeting with the press the Nicaraguan Foreign Minister said that the Central American governments would be the ones responsible for deciding which weapons are considered offensive, as well as for establishing the number of military troops in each of the five countries of the area.

After stating that this has been the only proposal made on this subject, the Nicaraguan foreign minister recalled that despite all the efforts put forth to date, the United States is constantly using force to bend the will of its interlocutors, and has unleashed a systematic campaign of lies to create the image that the Nicaraguan Government is blocking the negotiations.

The Contadora and Support Group countries have hopes that the peacemaking efforts will come to an end on 6 June. However, Nicaragua has reminded them that before the final document is signed, the U.S. aggression and its huge aid to the counterrevolutionaries must end.

The current U.S. Administration has announced, through White House spokesman Larry Speakes, that Washington will not withdraw its support to the mercenary bands even if Nicaragua signs the Contadora peace document. The Nicaraguan Foreign Minister described the United States' disregard for all international laws and the public proclamation of its intentions to continue the aggressiion against Nicaragua as disgusting.

On Sunday in Niquinohomo, Nicaraguan President Daniel Ortega said that Washington is attempting to use the Contadora peace document as an instrument to destroy the Sandinist revolution. Daniel Ortega questioned Washington's authority to demand that Nicaragua disarm itself when the United States has the world's largest arms supply. We want to sign the peace document, the Nicaraguan president stressed; however, we will never disarm the people because this would be the same as ending the revolution.

CHILEAN REPRESSION SHOWS LEVEL OF MOBILIZATION

PA222009 Havana International Service in Spanish 2300 GMT 21 May 86

["Our America" commentary -- read by Manolo Ortega]

[Text] In an unrestrained manner, the Chilean Carabineros took to the main streets of Santiago on Tuesday to prevent the holding of a peace march organized by the National Workers Command. The indiscriminate repression even reached foreign legislators who tried to act as observers in the demonstration.

The reports from the Chilean capital indicate that the militarized police occupied a large area of the center of Santiago and prevented pedestrains and vehicles from getting near the location where the demonstrators were to pass.

The repression that has again taken over the Chilean streets shows the levels of the social mobilization in demand of democracy and the end of the dictatorship. The growth of the protests has worried the Pinochet regime and forced the junta to once again deploy the military forces in the streets in an attempt to halt the discontent. Since they appeared on 10 April during a youth demonstration in a square near the government headquarters, the soldiers have been participating in the repressive tasks, armed to the teeth and with their faces painted black so as to have a psychological effect on the demonstrators. In combat gear, the soldiers have made their appearance at student strikes, during the protest over Pinochet's visit to the city of Temuco, and once again in this peace march in which the militarymen pulled the triggers of their weapons without any hesitation.

The frustrated march for peace constitutes proof that the Chilean military regime is aware of the growing threats it is facing and that it is desperately increasing the violence against the have-notes who are indicating that revolutionary violence is the answer. In this sense, it must be stressed that the massive raids that have recently been carried out in the poor neighborhoods have been targeted against the sectors where Pinochet sees the greatest danger against the government stability. That is where the sectors most affected by the regime's disastrous economic policy live.

That policy has led to a more than 13 percent unemployment rate. The latest statistics show that out of Chile's total population of less than 11 million people, 1.5 million are affected by the lack of work. No solutions are in sight for the South American country's economic crisis mainly due to the payment of the interest rates of a foreign debt that already amounts to $22 billion and is increasing.

All of this means that Chilean society cannot endure for much longer the situation created by the dictatorship. That is the reason for the protest marches, the strikes by various sectors, the church's dissatisfaction, and the organization of groups that support the fundamental demands of the population and demand a satisfactory reply. In the face of the demands, the regime increases the action of mass repression and systematically refuses to hold any serious dialogue with the opposition. The violence unleashed on Tuesday against the march for peace shows the loss of political space by a dictatorship clinging to power, but which constantly wonders how long it will continue there.

PEASANT MARKETS CLEAR WAY FOR STATE MARKETS

FL220049 Havana Radio Rebelde Network in Spanish 2300 GMT 21 May 86

[By correspondent Hernan Santos]

[Text] Holguin Province's 26 peasants' free markets have disappeared and cleared the way for state parallel markets in a firm response to the agreements reached at the second national meetiong of cooperative members. Thirteen of them have already begun offering their services to the population with a large and varied produce supply while the rest will join them within the next few hours.

Holguin cooperative members have expressed their total support to the agreements reached at the second national cooperatives meeting and their willingness to work and increase production.

MIRET CALLS FOR IMPROVED SPARE PARTS PRODUCTION

FL222227 Havana Radio Periodico del Aire in Spanish 2130 GMT 22 May 86

[Text] Contracts between the State Committee for Material and Technical Supply and organs of the state Central Administration of Spare Parts Producers are showing considerable delays in the development of new types of spares to replace imports.

During a regular meeting of the National Commission of Spare Parts held in Havana today, Politburo member Pedro Miret noted the need to speed up the process aimed at obtaining satisfactory results toward the end of 1986 in line with the agreements reached on that matter at the third party congress.

MACHADO PRESIDES OVER ELECTORAL COMMISSION

FL221827 Havana Television Service in Spanish 1700 GMT 22 May 86

[Text] The Council of State has agreed to hold elections on Sunday, 19 October 1986, to elect delegates to the municipal assemblies of the people's government for a 2 and 1/2 year term. In accordance with that decision, runoff elections will be held on Sunday, 2 October 1986, in those districts where none of the candidates exceed more than one-half of the votes cast. The agreement announced at the Palace of the Revolution takes into consideration that the 2 and 1/2 year term of the current delegates will soon expire.

The National Electoral Commission has been appointed and is presided over by Jose Ramon Machado Ventura. The commission is composed of 19 comrades. During the presentation of the commission, Machado Ventura referred to the importance of the elections.

[Begin recording] We consider the delegates to be a fundamental cadre in our country, a basic delegation. We expect that our people will take care in making the best selection when voting for the delegates in order to have good cadres that could play an important role in their work areas, districts, municipalities, provinces, and in our national assembly.

We will work for the greatest quality in the electoral process and for an atmosphere of social democracy. That is all. [end recording]

HART MARKS 26TH ANNIVERSARY OF AMATEUR MOVEMENT

FL221658 Havana Radio Periodico del Aire in Spanish 1600 GMT 22 May 86

[Text] Armando Hart, Politburo member and minister of culture, has sent a message to the instructors, advisers, technicians, and artists of the amatuer movement on the occasion of the 26th anniversary of its founding.

In his closing remarks, Armando Mendz Vila, vice minister of culture, stressed the important role of these comrades in their self-sacrificing, complex work that gets better every year while the number of amateurs increases.

DECREE ON MATERIAL RESPONSIBILITY NOTED

FL222042 Havana Radio Reloj Network in Spanish 1817 GMT 22 May 86

[Text] The Council of State has announced the Law/Decree Number 92 on material responsibility of leaders, officials, and other workers. The OFFICIAL GAZETTE published it today, when it takes effect.

The law/decree explains the procedure to follow in determining and demanding material responsibility from the aforementioned individuals when they cause damages to material and/or financial resources assigned to their work center as long as they do not constitute a criminal act. It indicates that the higher leadership of the system related to the work center will be in charge of identifying the person with the authority to demand the material responsibility. In all material responsibilities cases the designated authority will have to previously hear the allegations of the labor union organization at the appropriate level.

TANK, TRANSPORT 25TH ANNIVERSARY MARKED

FL221822 Havana Radio Periodico del Aire 1600 GMT 22 May 86

[Text] The 25th anniversary of the founding of the military specialty of tanks and transport has been celebrated in the capital with a ceremony held at the General Antonio Maceo Inter-Arms School of the FAR, where a group of field-grade and company-grade officers received the Ignacio Agramonte Medal, second and third class.

In his closing remarks, Brigade General Francisco Cruz Bourzac, member of the party Central Committee and FAR vice minister for armament and technology, referred to the traditional combativeness of this specialty and said its resurgence had been a guarantor of this specialty and that its resurgence had been a guarantor of the revolution.

BRIEFS

SANCTI SPIRITUS AIRPORT -- Sancti Spiritus Airport construction continues, and everything indicates that there will be no major difficulties in completing it on time and with the required quality. The workers of the Villa Clara No 10 Construction Enterprise have fundmentally completed the movement of earth to lengthen the runway to 700 meters. They have moved hundreds of thousands of cubic meters of dirt in record time, and the ground is ready for the application of asphalt. [Excerpt] [Havana Television Service in Spanish 0000 GMT 14 May 86 FL]

ELECTION COVERAGE CONTINUES; UNITY SEEN

Organizations Ask for Recount

PA221433 Madrid EFE in Spanish 1345 GMT 22 May 86

[Text] Santo Domingo, 22 May (EFE) -- A total of 15 political, business, and labor organizations of the Dominican Republic today asked the Central Electoral Board [JCE] to resume a manual vote by vote count of the results of the 16 May general elections. The 15 organizations, which support the candidacy of Jacobo Majluta of the social democractic Dominican Revolutionary Party, stated that their request is based on the fact that they distruct the technicians who are in charge of the JCE's computation center.

So far, the provisional partial results give a 2.08 percent lead to Joaquin Balaquer, presidential candidate of the social christian Reformist Party (PRSC).

"As professionals and simple citizens, we demand that the popular will be respected through a vote recount process free of any suspicion," the organizations stated. "We also demand that this vote recount be publicly carried out so that there will be no doubts about the results."

They added that if this recount is not made, it would mean justifying "the evident alterration of the vote count through computers and changing of the documents which has led to the allocation of votes where they do not belong."

Pena Asks for Unity Government

PA221651 Madrid EFE in Spanish 2230 GMT 21 May 86

[By Rosendo Sepulveda]

[Text] Santo Domingo, 21 May (EFE) -- Dominican social democratic leader Jose Francisco Pena Gomez, vice president of the Socialist International, has proposed that his country's two leading parties form a government of national unity. Pena Gomez suggested the formula in letters to presidential candidates Joaquin Balaguer, of the Social Christian Reformist Party, and Jacobo Majluta, of the social democratic Dominican Revolutionary Party, PRD, which Pena Gomez heads.

In his letter to Balaguer, Pena Gomez notes that even though the votes issued [as received] by the Central Electoral Board (JCE) place him in first place, it is obvious that a review of the votes, mainly the null ones, and the reexamination of the questioned ones, will favor Majluta.

Pena Gomez asserts that once the final tally of the votes is completed, the edge in either direction will be slim and, therefore, even if the present elections do turn out a winner by law, they will be in fact and in social significance a virtual standoff.

Since doubts may remain as to whether the balloting favored either Balaguer or Majluta, he recommends that a very meticulous vote tally and an exhaustive investigation of charges of irregularity be carried out so that no candidate will be left with the suspicion that he has been deprived of victory due to the partiality of some electoral authority.

He asks Balaguer to meet with Majluta and other opposition leaders before the tally is completed in order to discuss with them the possibility of establishing a government of national unity so the opposition will have the necessary guarantees which would, in turn, keep at bay the desperadoes or those who think that an eventual accession to power by Balaguer would be a good opportunity for subversion.

Pena Gomez asserts that neither the government nor the PRD would brook any undemocratic behavior or set into motion any action aimed at ignoring the results of a free and peaceful election like the one just held in his country.

Finally, he cautions Balaguer that the possibility of his becoming president of the Dominican Republic "is a fact that looks remote to many (?sectors) opposed to the PRD as well as to a large number of our militants," and "elicits in them a vague fear as well as a predisposition against a government led by you as a result of misgivings."

In his letter to his party colleague Majluta, Pena Gomez states that he feels that Majluta is right in demanding that the Central Electoral Council (JCE) abstain from declaring a winner until all questioned votes are verified and null votes are cleared up [depurados]

Pena Gomez tells Majluta that "likewise, all cases in which the actual results of polling places have been altered by the JCE's communications system must be clarified, as we have already told them."

As he did in Balaguer's case, Pena asks Majluta to get together with his opponent and the other political parties in order to select, at least before the final ruling is issued, a new electoral council composed of alternate members who are personalities unanimously approved by the presidential candidates. "Only in this way can a personal tragedy be averted because any hasty decision either in favor or against you and the PRD emanating from a controvesial electoral body will be the spark that will start a fire of unforeseeable consequences."

Finally, Pena Gomez makes reference to the new ingredient that has been added to the JCE's crisis, i.e., the fact that yesterday, without prior notice, JCE Secretary General Amable Diaz tendered a written resignation and left the country for the United States amid charges that he was a Balaguer sympathizer. "The new incidents that took place yesterday within the JCE and the disarray that was already visible in the vote tally demand the establishment of an unimpeachable electoral authority in order to keep this controversy from developing into a struggle of a different nature capable of bringing discredit to the country and disrupting constitutional order," Pena Gomez tells Majluta.

## Balaguer, Majluta, Agree

PA221909 Paris AFP in Spanish 1846 GMT 22 May 86

[Text] Santo Domingo, 22 May (AFP) -- Presidential candidates Jacobo Majluta and Joaquin Balaguer today agreed to designate a new Central Electoral Board, to re-examine the counting of the votes of the 16 May elections and to have, regardless of who wins, a national unity government, according to what the two politicians told the newspaper ULTIMA HORA following a meeting that lasted 85 minutes. The meeting, which created much expectation following the crisis that resulted from the vote counting, took place in Balaguer's residence from 1640 to 1805 GMT. The surprise agreement between the two candidates who received the most votes opens the possibility of a solution to the post-election crisis in Dominican Republic.

CARICOM LEADERS SEEK INCREASED REGIONAL TRADE

FL222022 Bridgetown CANA in English 1751 GMT 22 May 86

[Text] Bridgetown, Barbados, May 22, CANA -- Trade and economic issues will once more be the central talking point for Caribbean Community (Caricom) leaders when they meet in Guyana July 1-4. They have little to show for three years of near unbroken efforts to breathe some life into sagging trade among them except perhaps a string of agreements to do something about the decline. But the Caribbean Development Banks' latest annual report, issued at the CDB's governors meeting in Venezuela last week, showed that the only success registered thus far has been to slow the rate of decline.

Imports of goods from within the region fell almost 13 per cent in 1983, a further 12 per cent in 1984, and, according to the CDB, will probably show a fall of 10 per cent when the figures for 1985 are totalled.

At the centre of the recovery efforts is the so-called Nassau understanding, a 1984 agreement the leaders signed at their Bahamas summit. But the trade provisions of the accord have not been unanimously entered on the local statute books of members of the community, so that in some territories regional products are offered greater protection from outside competition than in others.

One of the major problems has been the lack of any definitive facility to finance intra-regional trade since the collapse of the Caricom Multilateral Clearing Facility (CMCF) when it reached its U.S. 100 million dollar limit three years ago. The facility was the chief mechanism for trade credit among the 13 members of the community, so that its collapse has had a predictably severe impact on intra-regional trade, which peaked in 1981.

The issue of either a revival of the CMCF or the introduction of a new mechanism has been on the agenda of the community's most important meeeings of trade and finance ministers as well as government leaders since the CMCF was scrapped. But the CEB acknowledged that the difficulties surrounding the CMCF had not been resolved. A great deal of technical work is, however, being done on alternatives to the CMCF, and, according to the CEB, a draft proposal is now being considered by members of the community.

The trade difficulties have been complicated by individual members of the community instituting measures aimed at protecting their own balance of payments position, in the face of falling export revenues. This has been particularly true of Trinidad and Tobago, whose hitherto oil-rich economy offered manufacturers elsewhere in the community a ready, and often hungry market for their processed foods, garments, and furniture.

But with the collapse of oil prices, spending has been restrained, demands for imports cut, and dense bureaucratic barriers applied to check the outflow of foreign exchange. The upshot has been curtailed production elsewhere in the region, with factory closures and layoffs leading to higher unemployment.

The decline in intra-regional trade has combined with the failure to resuscitate the CMCF or to develop a quick alternative to spark interest in bilateral contacts and accords among community members. Trinidad and Tobago has been the leading recent exponent of a bilateral approach to trade, concluding an agreement this year with Jamaica, and unsuccessfully offering Barbados similar arrangements. Antigua and Barbuda is about to send a delegation to Port-of-Spain for talks at foreign ministers level about trade difficuties between them.

Bartering has also cropped up as a prospective short-term answer to the shortage of hard cash for financing intraregional trade. Guyana and Dominica have moved in the direction of some bartering arrangement, while both Guyana and Jamaica have been trading their bauxite for heavy goods, and, in Guyana's case, oil from third countries outside the region. Caricom Secretary General Roderick Rainford of Jamaica commended bartering, and urged a study of this method of trade.

Trade has tended to push political issues on to the back burner in recent Caricom leaders conferences, especially since the collapse of Greneda's leftwing government in 1983. Some of the leaders' concerns about Guyana's leftist directions during the presidency of the late Forbes Burnham have apparently been considerably eased by the contacts they held with Burnham's successor, Desmond Hoyte, in the holiday island of Mustique earlier this year.

It is significant that since the Mustique mini-summit, the early criticisms of the conduct of the December 1985 general elections in Guyana from official circles in Caricom have subsided. Hoyte's more conservative neighbours may now be somewhat more comfortable with his style, especially since he has embarked on a programme of restoring economic ties with western countries, businesses, and institutions, though not at the expense of ties with the eastern bloc. Dominica, which during the Burnham presidency said it would boycott the Georgetown summit, is now reportedly willing to attend. Prime Minister Eugenia Charles was in Mustique to meet Hoyte, and posed with him and other leaders on one of the tiny island's beaches. The Mustique seaside summit appears to have reduced political tensions in the region, and may thus permit more time for leaders to address the seemingly intractable problems of trade in the area.

## BARBADOS

### ADVOCATE APPLAUDS REJECTION OF VIOLENCE

FL221908 Bridgetown CANA in English 1759 GMT 22 May 86

[Text] Bridgetown, Barbados, May 22, CANA -- The BARBADOS ADVOCATE newspaper today praised the leaders of the two major political parties contesting the May 28 general elections for their condemnation of violence during recent public meetings.

Three people were injured in a stone-throwing incident Monday night at a meeting of the main opposition Democratic Labour Party (DLP) in a suburban district, and the ruling Barbados Labour Party (BLP) has said that attempts were made to damage cars of BLP candidates and the headquarters of one of its candidates last week.

The leaders of the two parties are to be highly commended for their condemnation of the violence, for violence can never be an acceptable or sane solution to any political problems, the daily paper said. Too often have we seen the effects of violence between opposing political factions to believe that it can serve Barbados in the context of change or progress.

The ADVOCATE said incidents of stone throwing had injected an insanely dangerously element into the electioneering. The examples of Grenada, Jamaica, Latin America, (Northern) Ireland and several African states have been seen. There is no way that the course or result of violence can be predicted, the paper said. We condemn any form of violence in the process of electoral choice. Our nation's future depends on sane assessment and logical thought, not senseless, criminal actions.